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Daily Report
Central Eurasia

FBIS-SOV-94-174 *8 September 1994*

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'Unilateral Steps' Seen Possible in CFE Flank Controversy

MK0709110094 Moscow KOMMERSANT-DAILY in Russian 7 Sep 94 pp 1, 3

[Report by Aleksandr Koretskiy, Ilya Bulavinov: "Grachev on Conventional Weapons Cuts. Russia Insists on Amending Paragraph 5"]

[Text] On 13 September a regular session of the joint consultative group, which includes representatives of the states signatories to the Treaty on Conventional Weapons in Europe, will start in Vienna. The group will discuss the possibility of amending Paragraph 5 of the treaty, which calls for flank limitations on the armed forces and military hardware in East Europe and the Transcaucasus, an amendment on which Russia and Ukraine are insisting. They are supported in principle by a number of CIS states. On 5 September, Defense Minister Pavel Grachev gave explanations with regard to Russian complaints about the treaty.

The treaty was signed in November 1990, and specific limitations were imposed on conventional forces taking into account a standoff between blocs. The Warsaw Pact had not yet sunk into oblivion (although it was clearly on its way), and only Lithuania and Georgia had seceded from the USSR at the time. In June 1992, however, when the treaty went into force, the situation was completely different. Russia had already lost a buffer outside its western borders, but it faced lots of interethnic conflicts close to its territory, for instance in the Transcaucasus. Given that, the existing flank limitations are "harmful and unacceptable" for Russia, Pavel Grachev argued. Moreover, they pose a threat to its national security. In Pavel Grachev's view, amendments to the treaty that have been proposed by Moscow do not jeopardize the security of any of the signatories. The idea of adjusting the Paris Treaty has been indirectly backed even by Ankara, which, a priori, should not have reacted positively to an increase in Russian military might in the Caucasus (the issue is that Turkey expects to obtain a similar concession).

In Pavel Grachev's words, keeping the "explosive region" under control and providing a reliable "cover" for Russia's northwest borders will only be possible if Moscow is allowed to have 1,100 tanks, 3,000 combat armored vehicles, and 2,100 artillery systems in the flank areas of its Leningrad and North Caucasus Military Districts. This means that the current ceilings established by the treaty will be exceeded by 400 tanks, 2,420 combat armored vehicles, and 820 artillery systems. At the same time, Moscow plans to dispatch the lion's share of the equipment precisely to the North Caucasus Military District in order to increase its capacity to 1,000 artillery systems, 600 tanks, and 2,200 combat armored vehicles. This is attributable not only to current tensions in the region, but also to the fact that the district has the requisite potential to absorb a considerable part of Russian troops that are being withdrawn from foreign countries.

The Russian Defense Ministry's plans are unlikely to materialize in the near future, however. Negotiations with Western partners on the subject have been going on for a second year now, but so far have yielded no results. It cannot be ruled out that if at the upcoming session of the joint consultative group Moscow's partners once again turn a deaf ear to its appeal "to resolve all that in peace," it would do what Vladimir Zhurbenko, deputy chief of the Russian General Staff, predicted as early as a year ago, namely, proceed to unilateral steps.

International Banking Congress Opens in Vladivostok

LD0609043294 Moscow ITAR-TASS in English 0422 GMT 6 Sep 94

[By ITAR-TASS correspondents Yevgenia Lenz and Leonid Vinogradov]

[Text] Vladivostok September 6 TASS—An international banking congress opened here on Tuesday under the motto "The Banks' Trust and Guarantees for Cooperation in the Asia-Pacific Region."

The forum is being attended by about 400 representatives from the largest banks of Russia, the United States, Japan, Hong Kong, and other countries interested in cooperation with Russia's Pacific coast areas. Russian central bank chief Viktor Gerashchenko is also taking part in the congress.

"The present congress signifies a capacity strength, an endeavour to get to understand one another better, and aspiration for cooperation and trust," he said, addressing participants in the forum.

Gerashchenko voiced hope that the work of the international banking congress will be fruitful and that the congress will establish itself as a form of traditional meetings of professionals and like-minded people.

Exhibitions of investment projects for the development of regions and territories of Russia's Far East have opened here within the framework of the congress which will continue until September 10.

Much interest in the forum is being shown by domestic state-run and commercial financial entities.

Russia's Far East is viewed by banks from various countries as a proving ground for the financing of large-scale projects which are featured at an exhibition which opened in the territorial administration office building here on Monday.

Participants in the congress are to share banking business experience, and consider trends in the movement of capital in the Asia-Pacific region.

European Commission To Give Urgent Aid to CIS

LD0709182194 Moscow ITAR-TASS in English 1501 GMT 7 Sep 94

[By ITAR-TASS correspondent Aleksandr Mineyev]

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[Text] Brussels September 7 TASS—The European Commission made a decision today to render urgent humanitarian aid to residents of the Commonwealth countries.

100,000 ecus was earmarked for purchasing equipment for sterilization and disinfection of linen in the burn center of the 9th Moscow children's clinic. The commission's decision says that in the only specialized clinic in Moscow for children with hard burns. Due to a dilapidated state of equipment the rate of mortality and infections is ten times more than in a similar hospital in Western Europe.

In the next three months the Red Cross of the Netherlands will deliver necessary equipment to the Moscow clinic.

It is decided to transfer 500,000 ecus as an urgent aid to residents of Moldova who suffered from floods. The International Federation of Societies of the Red Cross and Red Crescent plans within two months to purchase and deliver medicaments, tents, clothes, and possibly food products to the regions which suffered from floods.

An urgent food aid costing five million ecus will be provided to the population of Tajikistan. This is part of 204 million ecus allocated by the Council of Ministers of the European Union in July for free deliveries of foodstuffs to the population of the Transcaucasian region, Tajikistan and Kyrgyzstan.

This decision stresses the hard damage done to the population of Tajikistan as a result of civil war and consequences of the disintegration of the Soviet Union.

The allocated sum will be used by the World Food Program for the purchase, delivery and distribution of about 8,000 tons of rice and 450 tons of sugar for the population of Tajikistan.

These food products will be distributed among 655,000 people including 500,000 residents of the Khatlon Region where 17,000 houses were ruined. The aid will be rendered to women, children and old people.

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Committee Meets To Prepare Heads of State Session

LD0709142594 Moscow INTERFAX in English 1101 GMT 7 Sep 94

[Text] On Wednesday in Moscow the CIS Coordination-Consultative Committee (CCC) opened its one-day sitting which is to prepare the agenda and drafts of key documents for the Council of CIS Heads of Governments meeting scheduled for September 9. Vice premiers and plenipotentiary representatives of 12 CIS states are present at the sitting. Otar Patsatsiya, head of the Georgian Cabinet, represents that republic.

In an interview with INTERFAX, CIS Executive Secretary Ivan Korotchenya expressed his opinion that "the agreement on creation of an inter-state economic committee is the most important document in the list of the prepared drafts." He pointed out that the inter- state economic committee will become the first structure which, in contrast to the existing CIS bodies, will be entrusted with powers. For example, the committee will be granted the right to pass decisions obligatory for all states with respect to concrete problems and "the national governments will adopt their own decisions on several of the problems 'under the prompting' of the inter- state economic committee." The committee will be authorized to control and to guide activity of the transnational systems as well, namely energy systems, transport, communication, gas and oil pipelines, and other facilities of the states' joint activity.

Korotchenya did not rule out "hot discussions around creation of a new structure, because for the first time leaders of CIS states are to take the courage and responsibility to give up national prerogatives and functions to the inter-state economic committee."

Korotchenya noted an agreement on a payment union to be among the other important documents to be discussed at the sitting. With the signing of this agreement CIS countries will ta[illegible]e responsibility for organizing currency markets and will give up the present "actually directive quoting of currencies." In accordance with the draft, monetary units of the union member-countries will become mutually convertible and there will be no restrictions regarding acceptance and utilization of the partners' currencies as a payment means on the territory of each state. Korotchenya made it clear that the document provides for a stage-by-stage creation of this union; first the countries will conclude packages of bilateral and multilateral agreements. In the future, with the development of the integration process within the CIS, the union should lay the ground for a currency union similar to what was created under the Maastricht agreements in the European Community.

Korotchenya also reported that drafts of the memorandum Main Trends in CIS Integration Development and the prospect plan for CIS integration development are also to be discussed by the CCC.

He indicated that the CCC would not consider the initiative of Kazakh President Nursultan Nazarbayev on creation of an Euro-Asian Union, it will be discussed at the next summit of the CIS leaders scheduled for October 6. Korotchenya stressed that Nazarbayev's project "lays new approaches for CIS development and is aimed at a radical strengthening of the CIS." In his words, Nazarbayev, in particular, proposes to create a CIS parliament on analogy with the Europarliament with deputies being elected in direct elections or delegated by their countries. "Of course, experts are unable to adopt such an important decision that's why Nazarbayev wants to submit his project to the heads of CIS states," Korotchenya said.

Coordinating Committee Fails To Finalize Key Agreements

LD0709183294 Moscow INTERFAX in English 1438 GMT 7 Sep 94

[From the "Diplomatic Panorama" feature: by our diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[Text] Delegates from the 12 CIS member-states to the session of the Coordinating-Consultative Committee underway in Moscow have failed to produce final versions of the key agreements - a Treaty on and Provisions for an Inter-State Economic Committee. Under the draft agreements, a future Inter-State Economic Committees would have coordinating and administrative functions.

It was decided to send the documents to a working group of the CCC experts under First Deputy Minister of Economic Relations with CIS Member-States Vladimir Pokrovskiy for re-drafting.

CIS Executive Secretary Ivan Korotchenya commenting debates on the IEC issue said that the very fact the CIS countries recognized the need for an inter-state economic committee is important.

Special opinions were voiced by Ukraine, Turkmenistan and Kazakhstan and, on a number of issues, by Russia. Korotchenya is certain that two days, Wednesday and Thursday, will be enough for the working group of experts to finalize the documents. "The session of the CIS heads of state on September 9 in Moscow will only have to settle one question - a mechanism of decision-making in the IEC," Korotchenya said.

He said there were three options for weighing votes in IEC leadership bodies. All three options would give Russia 50 percent of the votes, proportionate to its economic might. Russia and all other CIS countries would finance the IEC accordingly.

Under option one, Ukraine would have 18 percent of votes, Belarus and Kazakhstan - 6 percent each, and all other counties, 3 percent. Korotchenya said that Kiev agreed with putting the question that way, however, a

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number of other CIS countries argue they should have more votes and Ukraine, less.

Option two would give Ukraine 14 percent of the votes, and option three, 11 percent, while the share of other countries would increase.

"I believe that eventually Ukraine will shift from associate to full-fledged membership of the economic union," Korotchenya said. "If that does happen, a group of countries would appear to play a decisive role in economic matters, the backbone of the economic union," he said.

Korotchenya said that Turkmenistan has declared it would not take part in discussing provisions for an Inter-State Economic Committee, in line with its official position.

Korotchenya said that the session adopted a package of resolutions on preparations for the 50th anniversary of the victory in World War II. A draft program for activities to commemorate those who perished in World War II, it was decided, will be submitted to the CIS summit for approval.

Russia's Minister for Economic Cooperation with CIS Countries Vladimir Mashitz said "the IEC is conceived as an inter-state body, however, it may become a supra-national one, as the CIS countries delegate it the appropriate powers." Mashitz said this would be a natural process, the more so since within the CIS framework there already exist supra-national bodies in charge of transport, power supply and pipelines.

Guidelines for CIS Economic Committee Agreed

LD0709194794 Moscow INTERFAX in English 1741 GMT 7 Sep 94

[Text] The delegations of 12 CIS member nations agreed on the text of guidelines for the Inter-State Economic Committee. Russian Deputy Prime Minister Aleksandr Shokhin told journalists that this was the main result of the CIS Coordinating and Advisory Committee (CAC) meeting held in Moscow Wednesday.

Shokhin, who chairs the CAC, said that his committee had come to the conclusion that the CIS Economic Union's commission, an auxiliary mechanism rather than a body of authority, had to be replaced by an agency to which CIS member nations could delegate some of their powers.

Decisions will be made in the Inter-State Economic Committee through straightforward democratic procedures such as consensus and qualified majority and by the economic weight of the member states, Shokhin said.

This voting system, Shokhin believed, cannot cover a wide range of issues but if the member states set up a customs union through consensus, then technical decisions on ways to change customs duties and on measures to be used with respect to non-member countries will have to be made in the light of the economic weight of the committee member states.

Shokhin is convinced that if the ISEC is set up soon, it will handle numerous issues that now encumber the agenda of the Council of Heads of States, the Council of Heads of Governments and CAC which will focus on the current issues in the bilateral and multilateral relations.

He said that the CIS has now reached the stage when the Commonwealth is capable not only of adopting documents but also of tackling specific issues.

Shokhin told journalists that the CAC had also approved the concept of a payment union, a draft agreement on non-trade payments covering the pensions, wages and money transfers and of an agreement on mutual convertibility of currencies.

These documents must, at the very least, normalize the situation in the financial and credit sphere in the aftermath of the introduction of national currencies, Shokhin said. He explained that these agreements did not add up to a payment union but were conducive to it.

The Ukrainian delegation wanted to hold the next CIS summit in Kiev. If this proposal is accepted, the CIS heads of state will be invited to attend the October 7 celebrations of the 50th anniversary of Ukraine's liberation from Nazi occupation.

Turkmenistan Not To Agree to Supranational Bodies

LD0709155494 Moscow ITAR-TASS in English 1027 GMT 7 Sep 94

[By ITAR-TASS correspondent Lyudmila Glazovskaya]

[Text] Ashkhabad [Ashgabat] September 7 TASS—President Saparmurat Niyazov of Turkmenia has again stressed on the threshold of the meeting of CIS leaders that his country would not agree to any attempts to turn CIS bodies into supra-national agencies.

"Turkmenistan is ready to actively cooperate within the Commonwealth of Independent States, regarding it as a consultative body, as a mechanism for solving practical problems among states both at bilateral and multilateral level," he stated during a talk with local students, a coverage of which was published in today's newspapers here. "But we cannot voluntarily limit the sovereignty of Turkmenistan," he stressed.

Stressing that Turkmenistan would not agree to anything that would jeopardise its independence, the Turkmenian president again stressed his country's "special relations" with the new Russia. "Russia is our strategic partner and ally," Niyazov stated.

Admiral on Trade in Black Sea Fleet Property

MM0709110394 Moscow TRUD in Russian 7 Sep 94 p 1

[Report by Nikolay Mokrishchev: "Admiral's Alarm"]

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[Text] Sevastopol—There seems to be trouble at the moment with dividing up the Black Sea Fleet, but soon there will be nothing to divide up. The aging ships will have been scrapped and their "innards" stolen. Admiral Eduard Baltin, commander of the Black Sea Fleet, sounded the alarm on this score. He has sent the leaders of Crimea and Sevastopol a letter asking that steps be taken "to stop commercial structures' and private individuals' criminal buying and selling of stolen military property."

Technical equipment belonging to the fleet is being openly traded on the city's markets today. Newspapers are publishing advertisements regarding the purchase of ship's chronometers, deck clocks, radioelectronic and other equipment, preferably containing precious metals. "All this amid the unstable funding and delays with wages is prompting workers at defense industry enterprises and certain unscrupulous servicemen to steal," the admiral's letter notes.

ITAR-TASS Carries Press Review for 8 Sep

LD0809061994 Moscow ITAR-TASS in English 0501 GMT 8 Sep 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow September 8 TASS—NEZAVISIMAYA GAZETA on the forthcoming meeting of the prime ministers' council of the Commonwealth of Independent States (CIS), opening on Friday [9 September], to discuss the establishment of an Inter-state Economic Committee (IEC):

Functions, which the IEC is to be vested with, are "to analyse the economic situation and the course of economic reforms, draft proposals for coordinated socio-economic policies, bring the countries' economic legislations closer together, coordinate economic restructuring moves and foreign economic policies, upgrade trade-and-economic contacts, and to take coordinated measures in such key inter-state spheres as transport, communications, power supply, standardisation, and environmental protection".

NEZAVISIMAYA GAZETA, in view of the situation in Moldavia [Moldova], which has been hit consecutively by drought, a whirlwind, and floods this year, emphasizes that CIS countries came to the aid of Moldavia.

The newspaper quotes Moldavian Economics Minister Ion Ceubuc as saying that "CIS states did not fail their partner for the economic union in its need." The newspaper points out that "the IEC will also be entrusted to carry out coordinated measures to prevent emergency situations or eliminate their aftermath".

KRASNAYA ZVEZDA (RED STAR) on Russia's trade with CIS countries:

"In 1993, goods turnover in Russia's trade with CIS countries was estimated at 22,500,000 million roubles, which accounted for 56 percent of the 1991 level in comparable prices.

"Trade turnover declined by another 30 per cent in the first half of this year. The pattern of deliveries from Russia has also deteriorated. As of now, fuel and raw-material resources account for 90 per cent of it. The problem of defaults of payments remains acute as well.

"CIS countries owe more than 3,000,000 million roubles to Russia for energy resources alone. These are the initial data with which Russia has entered an economic union of CIS countries and prepares to sign an all-embracing document on economic cooperation—a long- term plan for the integrational development of the CIS".

ROSSIYSKAYA GAZETA reports that the working centre of economic reforms has prepared a generalised analysis of the functioning of the Russian economy in 1994.

Director of the centre Sergey Pavlenko and Deputy Director Mstislav Afanasyev point out in the newspaper that "the first eight months of 1994 saw a certain stabilisation of the economy".

At the same time, the experts note, economic stabilisation has not been quite smooth. Many enterprises have been still unable to adapt themselves to new conditions. This is reflected by the growth of mutual debts.

In August 49,000 enterprises had arrears of debts to users as against 38,000 in January.

Beginning from the fourth quarter of 1993, the stale debts to users have been steadily growing to amount to 15-16 per cent of gross domestic product by the middle of this year.

So, the non-payments problem comes to the fore. In order to radically resolve it, a mechanism for the updating of enterprises and bankruptcy procedures, combined with a number of other measures, are to be activated.

KRASNAYA ZVEZDA again turns to the recent ceremonial meeting at the Central Academic Theatre of the Russian Army, at which the servicemen and veterans of the Western Group of Russian troops were addressed by Defence Minister Pavel Grachev.

The newspaper runs the full text of the minister's remarks.

"However hard some political forces now try to interpret the fact of the withdrawal of troops from the territories of other states and to make a negative evaluation of it, the truth is that the withdrawal of troops was predetermined by the entire march of history and by the logic of common sense".

IZVESTIYA on the suspension of the restitution of French archives.

The newspaper points out that Russia has suspended the restitution of French archives from Moscow to Paris. The process, which began last winter, was suspended

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contrary to a bilateral agreement which envisages the restitution of the archives by the end of 1994".

V. Tyuneyev, first deputy director of the state archival service, told the newspaper that this was promted by the fact that State Duma deputies decided to refer the item concerning the archives to appropriate Duma committees for consideration, recommending them to begin to draw up a bill on the restitution of cultural treasures. But, prior to the adoption of such a law, the committees suggested suspending any transfer of cultural treasures "which were brought to Russia as a result of the Second World War".

KOMSOMOLSKAYA PRAVDA on violations of the Russian state border by Japanese fishing boats in the area of South Kurils.

Nikolay Kudinov, commander of the naval border forces of the Russian Federation, in an interview with the newspaper, denied accusations that firing on Japanese boats had become "almost a norm."

"We have a law on the state border of the Russian Federation which clearly defines the powers of border troops. Weapons are used only in accordance with the law. I would like to draw attention to the fact that patrol boats never fire by the so-called main method—when artillery guns are trained on target by a radar—which would ensure a direct hit. Fire is conducted only by blank shells", Kudinov said.

SOVETSKAYA ROSSIYA carries an interview with Iraqi Vice-Premier Tariq 'Aziz who emphasised as follows: "We have a great desire to cooperate with Russia, both with the state and private sectors. If our relations with Russia are resumed, we shall cooperate with both old and newly-founded firms".

ROSSIYSKAYA GAZETA reports that a government commission headed by Vice-Premier Yuriy Yarov has completed one of important stages of the study of issues connected with the research into and re-burial of the remains of Russian Emperor Nicholas II and members of his family.

The commission decided to take note of the findings of a forensic expert examination, from which it follows that the results of antropological identification research into the nine found skeletons and the molecular-genetic analysis credibly testify that five skeletons are those of persons who constituted one specific family group.

At the same time the commission decided not to regard the findings as final pending full study of all materials existing abroad and the receipt of the results of research conducted by independent experts.

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Grachev Speaks to Perry From Totsk Exercises

LD0709150294 Moscow ITAR-TASS World Service in Russian 1249 GMT 7 Sep 94

[By ITAR-TASS special correspondents Vladimir Gondusov and Nikolay Goncharov]

[Text] Totsk (Orenburg Oblast), 7 Sep (ITAR-TASS)—[Russian Federation Defense Minister] Pavel Grachev contacted his American counterpart William Perry today directly from the area of the [joint military] exercises. The Russian Federation defense minister expressed regret that William Perry's visit to Russia was cancelled but also said that he understands the difficulty of the present situation on the American continent.

Pavel Grachev told his counterpart that he listened to the commanders of both formations participating in the exercises and praised their skill. The minister noted in particular that the atmosphere at the exercises is good, relations between servicemen are warm, and they all understand the purpose of what is happening at the Totskoye range. He emphasized that over the past few days the soldiers have got on excellently and have made friends.

The minister said that the third stage of the exercises will end at 2000 Moscow time today. The concentration of subunits and their transfer to winter quarters will be the final stage. Pavel Grachev thanked the U.S. [defense] secretary for the excellent training of officers and men.

He also gave a summing up speech to servicemen at the garrison's officer's building today. The minister singled out in particular the political and military aspects of the exercises. In Pavel Grachev's view, in political terms they represent a shift away from confrontation toward cooperation. He noted that this event primarily promotes the strengthening of international security. As for the military aspect, such exercises help training for peacekeeping operations in troublespots, develop coordinated views of such operations, improve training in the field, and make it possible to study each other's military structures. He remarked on the precise and smooth way in which all tasks were tackled. Particularly warm words were spoken with regard to the U.S. airmen and the Russian Air Force ground services for the rapid transfer of troops to the area of the exercises. The minister stressed that this first joint experience has shown the usefulness of such events and said that the next joint exercises will be on a larger scale.

Addresses Russian, U.S. Servicemen

LD0709164394 Moscow INTERFAX in English 1540 GMT 7 Sep 94

[Text] The period of brinkmanship is gone, Russian Defense Minister Pavel Grachev told Russian and American servicemen in Totsk.

Although the danger of world war is no longer there, the world has not become any more stable because new threats - ethnic and religious conflicts—have emerged, he said. Internal conflicts may go beyond the limits of one country, upsetting stability in a whole region, all of which may damage the security of both Russia and the U.S., he went on to say. "In view of this, the task of restoring and maintaining peace is acquiring priority importance," said Grachev.

He noted, however, that he was far from idealizing Russian- American relations either at the current moment or in the future. "Our great countries will pursue their vital interests which may not always coincide," he said.

After his meeting with servicemen Grachev had a telephone conversation with U.S. Defense Secretary William Perry.

Our correspondent reports from Totsk that the Russian-American Peacemaker-94 exercises ended on Wednesday. During the next three days the personnel will be transferred to their permanent bases, sports competitions will be held and a picnic will be organized.

The exercises were attended by 76 Russian and foreign journalists.

Grachev Announces Future Joint Exercises

LD0709121294 Moscow INTERFAX in English 1101 GMT 7 Sep 94

[Text] American-Russian military exercises are to be held in the United States in 1995, Russian Defense Minister Pavel Grachev said Wednesday. He said that 500-600 servicemen from each side are to take part.

Addressing journalists upon his arrival on September 7 in the Totsk test ground (Orenburg Region), where the Russian-American exercises "Peacekeeper-94" are being held, Grachev said that also planned for the next year are joint manoeuvres of Russian troops with units of Bundeswehr (Federal Germany's armed forces). However, he said, it is so far not decided on whose territory the exercises will take place.

Grachev said that the joint exercises will be conducted within the framwork of NATO's program "Partnership for Peace" and the agreements on military cooperation, which Russia signed with some West European countries.

An Interfax correspondent reports from the Totsk test ground that Georgian Defense Minister Vardiko Nadibaidze came to the exercises together with Grachev. Grachev said that the situation in Georgia is unstable so far and the republic's defense minister attaches great importance to the exercises of peace-keepers.

The Georgian Defense Minister told journalists that over the four months during which he heads the defense ministry he feels support of the Russian defense ministry and Grachev in particular concerning problems of the construction of the national armed forces.

Joint U.S. Exercises End

LD0809094194 Moscow ITAR-TASS in English 0858 GMT 8 Sep 94

[By ITAR-TASS correspondent Boris Belyakov]

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[Text] Samara September 8 TASS—The joint exercises of Russian and American peacekeeping forces have ended. On Thursday morning, their results were summed up and praised as successful by military specialists, according to whom the peacekeeping forces of the two countries learned to interact effectively and exchanged much useful experience of activity in flashpoints of tension.

Thursday is a recreation day. Russians and Americans enjoyed a performance of a song and dance ensemble and held track and field competitions.

On Thursday evening, participants in the exercises will meet for a barbecue to taste national cuisine of the two countries prepared by soldiers of the U.S. Third Infantry Division and soldiers of the 27th Motor Rifle Division of the Russian Federation.

Foreign reporters are leaving Totskoye to be followed on Friday by the first group of American infantry men. The airlift of American troops will be completed within two days.

Grachev on Russian Plans for NATO Partnership

LD0809025994 Moscow Radio Moscow in Russian to Tajikistan 1700 GMT 6 Sep 94

[From the "Slavyanka" program of the Russian Defense Ministry]

[Text] On 5 September Army General Pavel Grachev, Russia's defense minister, met Field Marshal Sir Richard Vincent, chairman of the NATO Military Committee. They talked about cooperation within the framework of the Partnership for Peace program, the situation in the former Yugoslavia, and opportunities for cooperation in peacekeeping operations. After the talks our correspondent Mikhail Borikov met the Russian defense minister.

[Begin recording] [Borikov] Pavel Sergeyevich, the Partnership for Peace program should play a positive role in the process of shaping new models for European security, specifically in setting up equal and constructive cooperation between the East European states and the NATO states. What is the Russian Ministry of Defense doing specifically about this?

[Grachev] At the moment we, that is, the Russians, are completing work on a draft program called Russia-NATO. Alongside general political problems, questions of military cooperation between Russia and NATO will take an important place in this program. The priority areas which we have incorporated in the program include: first, cooperation in the sphere of defense planning; and second, exchanging views on the content of military doctrines, exchanging views on conceptual principles for building the armed forces, and exchanging views on the compilation of military budgets.

That is important because, what do we mean when we are talking about building the armed forces? As soon as we have developed something new, others become agitated. And if something new appears there, some reorganization, we too become agitated: What is it for and how? So in order to avoid speculation about what we are up to here in Russia and what they are up to over there, we should discuss all of this on the Russia-NATO level and reassure them and ourselves about what we are doing.

They have a lot of experience in forming a military budget. We also have some experience. And so, for example, in the future we could present our requirements in a more comprehensible way to our parliament and the government in particular, so that they will not be insisting on something that is not there.

The next stage is strengthening the confidence-building measures in the military sphere and openness in the military activities—this is the third priority. The fourth, and this is absent in the program, this is what they do not have, are the joint steps in the field of arms control and disarmament. The fifth, what they also do not have in the program, is working jointly on the problems of nonproliferation of weapons of mass destruction and their means of delivery. And the sixth is peacekeeping activities. These are the priorities, and the rest is according to the program. The discussion and adoption of an individual Russian program for partnership will be done on a bilateral basis, in the course of joint work with NATO experts.

The next working meeting is scheduled for September. I said that we wanted to start real cooperation this year. We hope to set up permanent lines of communication between Russia's Ministry of Defense and the NATO Supreme Headquarters in Europe, to open up a Russian Federation Ministry of Defense communications office in Mons, Belgium. We shall also try to organize permanent work for our representatives in the partnership's coordination unit.

Within the framework of the program we have planned a number of visits by military delegations to Great Britain, Belgium, Bulgaria, Canada, Romania, and the United States of America. We shall also be receiving delegations here. If we receive an invitation, and we would like to receive one, we will be prepared to take part in the Reforger exercises this autumn.

At the moment we are working on the possibility of holding joint tactical antimissile defense exercises with our American colleagues. On the whole, while planning joint exercises within the Russia-NATO partnership, we bear in mind the possibility of holding joint exercises on the territories of Russia and the NATO member states, as well as other issues connected with the practical activities of the forces. We also envision involving observers from the partnership's member states for these exercises on a mutual basis.

[Borikov] What do you think about the situation in the former Yugoslavia?

[Grachev] On 26 and 27 August I visited the former Yugoslavia and met with the leaders of the conflicting sides. These meetings reconfirmed my conviction that

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ways out of the present situation should be sought by political means. Evaluating the situation in Bosnia and Herzegovina, I stressed that one could predict that at the referendum the Bosnian Serbs will not support the plan proposed by the contact group. The situation in Bosnia and Herzegovina cast doubt on the expediency of continuing the UN peacemaking operation. I am convinced that the resumption of arms supplies to the Bosnian Muslims, i.e., lifting the embargo, will constitute an open ultimatum to the Serbs, which will not lead to peace but give an impetus to a prolonged, uncompromising war. I believe that in analyzing the situation as a whole, we should keep to the highest principles, not only in relation to the Bosnian Serbs but with regard to the actions of the Muslims as well. The provocative nature of their military actions is evident to everyone. Therefore, the measures taken by the international community should be both adequate and equal so that no one will see in them support for extremist forces. On the whole, the United Nations and the international community are now facing a difficult choice: They must either admit the defeat of their peacekeeping efforts or continue searching for politically correct ways to untangle the tight knot of the crisis in the former Yugoslavia. A solution that involves force will have no prospects and will not bring the right result. It will mean that the United Nations or NATO are, in fact, renouncing their peacekeeping role and are taking one of the warring sides. Should events develop in such a way, I cannot see any prospects for either military or political success. What we will see is the danger of the unpredictable escalation of the conflict and unnecessary hurdles for the as yet technical draft of future security. This is the opinion of our Defense Ministry.

[Borikov] Pavel Sergeyevich, the last question: How efficient is the cooperation between Russian and NATO servicemen during the peacekeeping operations?

[Grachev] Participation in the peacekeeping operations is the new task for the Russian forces. This task was dictated mainly by the interests of international and regional stability. We believe that participation of Russian military personnel in the peacekeeping operations on the territory of the former Yugoslavia allowed us to gain certain experience. The study of the staff officers' activities, the Russian miltary subunits, and observers demonstrated that they interact efficiently with their colleagues from other countries while planning and carrying out the practical peacekeeping operations under the UN aegis. At the same time, they are ready to share their experience in the planning and carrying out of the peacekeeping operation on the territories of several CIS republics. In a number of areas their experience is unique and, in the opinion of the military experts of other countries, is of considerable interest.

It is necessary to stress that considerable stabilization of the situation in South Ossetia and Moldova, as well as the cessation of hostilities between the Georgians and Abkhazians has been made possible thanks to the help of the Russian peacekeeping contingents. As you know, between the 1 and 10 September Russian-American staff and command peacekeeping exercises are being held at the Totsk range. I will visit this region where I plan to familiarize myself with the staff work and the joint planning and organization of the command interaction. Besides, we are interested in practising joint actions of the servicemen at the check points and observation posts as well as solving the tasks of de-mining and repelling attacks on the peacekeeping personnel when escorting convoys transporting humanitarian aid. This practice of joint exercises is fully justifiable and mutually enriching. It will also serve as a test for the preparation and conducting of similar joint exercises with other NATO countries.

Stage Two of Totsk Exercise Assessed

MM0709121794 Moscow KRASNAYA ZVEZDA in Russian 7 Sep 94 p 3

[Report by Gennadiy Miranovich: "No Competition for Russian Borscht at Totsk Test Range"]

[Text] Exercise Area—Stage two of the exercise ended with the coalition peacekeeping forces being sent to their designated "zones of responsibility." The last two stages—the joint peacekeeping operation and the withdrawal of the coalition peacekeeping forces—will go according to plan under the leadership of Brigadier General Leonard Holder, commander of the 3d Infantry Division. The peacekeepers are rehearsing around 20 episodes jointly. These are episodes which they would have to encounter in carrying out their mission in real life—be it monitoring the disarmament of warring factions, the provision of medical aid to wounded civilians, or, say, putting a stop to smuggling attempts. To this end joint checkpoints, observation posts, and reconnaissance and patrol groups have been set up. In particularly difficult situations (during civil unrest, for instance) rapid deployment forces composed of one of our reconnaissance platoons and two U.S. motorized infantry squads are employed. They would have several jeeps, armored transporters, and two helicopters available to them.

The rehearsal of tactical problems both jointly and separately hardly stops from morning until late at night. Here are just a few examples: 0900—prevention of an attempt by armed men to pass through a joint checkpoint among a crowd of refugees; 1000—prevention of an attempt to take weapons through the same checkpoint; 0900-1000—combating snipers in the zones; 1300-1500—escorting and handing over a convoy of humanitarian aid; 1900—breaking up hooliganism; 0100—taking measures against curfew violators.... Officers are being trained at the same time.

As are services providing for the men's needs in the field—catering and medical services. I would not say that the "blue helmets" live under hothouse conditions. They can also find things cold, particularly at night. So the use of food service ice is very limited here. But they all have a roof over their heads, and they are getting hot food in good time—including those at the checkpoints. And food from

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American field kitchens alternates with Russian food. But, according to the transatlantic "professionals" at different levels, there is no competition for our borscht. Colonel Anatoliy Sergeyev, commander of the Volga Military District, who is in the exercise area and whose services organized the peacekeepers' field provisions, has no cause to be ashamed of his subordinates.

In general, the American soldiers to whom I spoke are virtually euphoric about being able to take part in this exercise. It turns out that they were even vying with each other for the right to take part in it. For instance, Sergeant Jones, a more than seven-year veteran who met me on one of the test range roads, honestly admitted that he was happy that none of his rivals had prevented him from coming. But Captain Ricketts, who was responsible for his battalion's rear-service provision, had his own worries: Many men wanted to acquire Russian watches—for some reason, the ones with the star on the face. So our military trading system has an area where it should make an effort.

I hope that Aleksey Zubarev, Andrey Gerda, Aleksey Galaktionov, and many other of our soldiers—great Russian guys with whom I chatted on roads in the exercise area—will not take offense, but I would now like, perhaps even for educational purposes, to draw attention to the American soldiers' ability to deal with the press. I think that to a certain extent this is promoted by the fact that each of them has a special booklet clearly stating how to behave toward reporters. These unusual instructions contain the following remarkable admonition: "Be honest. There is nothing to be ashamed of in saying 'I don't know.' But try not to lie." And it seems as though the soldiers follow these and other useful pieces of advice in the booklet, which clearly gives them confidence when facing cameras and microphones. At any rate, they try to be themselves and to talk only about areas in which they are competent. What is interesting is that journalists too have something akin to instructions about how to behave toward troops. At any rate, it is interesting to notice how U.S. press service staffers, for instance, troop in to breakfast.

Nor have there been any particular difficulties regarding relations between the participants in the command-post exercise. And it should be noted that when talk turns to specific issues at both the joint command post and other joint training centers, officers can often understand each other without interpreters. Although there is no shortage of interpreters. Apart from a few slightly trained homegrown "translators," there are 28 future military interpreters, who have come here from the Military University, working in the exercise area.

All the tactical problems should have been worked out by the end of the day, after which the exercise leaders will clarify the missions regarding the withdrawal of the peacekeeping forces to their initial areas. The Americans will be preparing to fly to Germany. An extensive cultural program is expected.

Yesterday the detachment of previously accredited military journalists (five on each side) was joined by a large group of Russian and foreign press representatives who arrived from Moscow. Army General Pavel Grachev, Russian defense minister, is expected to arrive here today.

NATO Military Committee Chairman Ends Visit

MM0709122194 Moscow KRASNAYA ZVEZDA in Russian 7 Sep 94 p 3

[Report by Mikhail Pogorelyy: "Visit Over"]

[Text] A meeting was held in the afternoon of 5 September between Colonel General Mikhail Kolesnikov, chief of the Russian Federation Armed Forces General Staff, and British Field Marshal Richard Vincent, chairman of the NATO Military Committee, who is on an official visit to Russia. During the talk questions of the development of military ties between our country and NATO, and problems in implementing the "Partnership for Peace" program were discussed.

The NATO military leader was received the same day by Russian Federation Foreign Minister Andrey Kozyrev. The prime subject discussed at this meeting was the situation in the former Yugoslavia and the prospects for extrication from the crisis.

Field Marshal Vincent visited the 27th Separate Motorized Rifle Brigade 6 September, where he familiarized himself with the lives of the brigade's men.

Richard Vincent left for Brussels that afternoon.

Albright Criticized for News Conference With Entry Fee

MK0709105094 Moscow SEGODNYA in Russian 7 Sep 94 p 2

[Report by Anatoliy Veslo under the "Diplomat" rubric: "U.S. Ambassador to the United Nations Gives Paid News Conference"]

[Text] When reports on statements by Ms. Madeleine Albright, U.S. ambassador to the United Nations, who is making a tour of the republics of the former USSR, were published, even some American diplomats were concerned by the harshness of her tone. Ms. Albright categorically ruled out the continuing presence of Russian troops in Moldova and the Caucasus. She also warned Mr. Kozyrev that she does not "in any way" link the talks she held with him in Moscow to the recognition of Russia's "special role" in the Caucasus. Ms. Albright did not specify, however, what Russia's "non-special" role could be.

It turned out, however, that concerns over Ms. Albright's statements could be exaggerated. Her Excellency attended a news conference arranged by the International Press Center in Moscow with a paid lunch. Ms. Albright hardly knew that the organizers charged journalists for entrance, but she, as a prominent diplomat,

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should have probably made inquiries about the procedure for communicating with the Moscow press, some part of which watched the other as the latter consumed club sandwiches. Otherwise one would have to conclude that Ms. Albright herself was remunerated by the news conference organizers. Apparently, Ms. Ambassador is not overly curious and far from all facts fall within her field of vision. Meanwhile, a lack of information often leads to overly categorical statements.

In any case, the principle of organizing a news conference more reminiscent of a presentation made by a commercial firm gives one grounds to conclude that the statements that were made there are just as promotional in nature as information distributed at commercial presentations.

Churkin on Strategy in Dealing With Bosnian Problem

LD0709190494 Moscow ITAR-TASS World Service in Russian 1807 GMT 7 Sep 94

[by ITAR-TASS correspondent Aleksey Korinenko]

[Text] Berlin, 7 Sep—At a session of the "Contact Group" on a settlement to the conflict in the former Yugoslavia, which ended in the German capital today, the representatives of Russia, the United States, Great Britain, and France called for an examination of the question of reviewing the trade embargo on the Serbian Republic. As Russian Deputy Foreign Minister Vitaliy Churkin told journalists after the meeting, the experts in the group intend to propose that the UN Security Council discuss the question of the lifting of sanctions.

In Vitaliy Churkin's opinion, the government in Belgrade is deserving of support after President Slobodan Milosevic ceased giving aid to the Bosnian Serbs. In this connection new opportunities have arisen for a political settlement and a peaceful end to the conflict. "Our strategy is to encourage Belgrade to conduct a new policy and at the same time to make the leadership of the Bosnian Serbs understand that we do don't agree with them," he pointed out.

According to the Russian deputy foreign minister, the "Contact Group" is of the opinion that the Bosnian Serbs should accept the peace plan it has proposed. Noting that the UN Security Council is due to meet in the near future, Churkin said that the session will discuss the possible consequences of a rejection by the Bosnian Serbs of the international plan for a peaceful settlement to the conflict.

Smolensk Oblast Criticizes Accord on Katyn

LD0709153394 Moscow Radio Rossii Network in Russian 0900 GMT 7 Sep 94

[Text] The Smolensk oblast's Duma examined the issue of the so- called Katyn affair—the execution of Polish officers by NKVD firing squads near Smolensk in 1940. Our correspondent Vladimir Vengrzhnovskiy reports: [Vengrzhnovskiy] Problems connected with the Katyn burial ground were not included on the Duma's agenda, but articles in the local and central press and pickets outside the oblast administration's building forced the issue and it had to be debated. The Koziye Gory locality within Katyn forest has concealed a secret for 50 years—thousands of victims of war and repressions.

In accordance with an agreement between the Russian Federation Government and the Government of the Republic of Poland concerning the burial of and memorials to the victims of war and repressions, Polish experts arrived in Smolensk to carry out ground exploration and topographical work in the region where a Polish military cemetery is to be situated. The Russian Federation Government allocated 20 billion rubles to finance this act of goodwill on Russia's part.

It is precisely this one-sided decision that caused the Smolensk population to react with such fervor. The oblast administration, with the support of most of the Duma deputies, insistently argued that a mass reburial and commemoration of the memory of Poles alone is immoral and that it is not just the local Smolensk people that are justly offended by it.

An idea was put forward to set up a single memorial complex in memory of the victims of totalitarianism. The states from which those who are buried at Koziye Gory came would take part in setting up the memorial complex. This does not mean that a Polish military cemetery should not be created in Katyn forest. The Russian Orthodox Church also supports the Smolensk administration in this. Deputies in the oblast Duma recommended that the administration should suspend a number of decisions connected with implementation of the agreement between Poland and Russia.

FCS, Lithuanian Counterpart Discuss Cooperation

MK0709115094 Moscow SEGODNYA in Russian 7 Sep 94 p 1

[Unattributed report: "Lithuanian and Russian Special Services Are Going To Collaborate"]

[Text] The first working meeting of Sergey Stepashin, Russian Federal Counterintelligence Service [FCS] director; and Yurgis Yurgyalis, Lithuanian State Security Department director, has taken place in Moscow. In the course of the meeting notes were shared about the possibility of promoting cooperation between the special services in fighting terrorism, drug smuggling, illegal trade in arms and fissionable materials, and other forms of organized crime. The Lithuanian side raised the question of possible access to particular archive materials of the former USSR KGB.

Grachev, Georgian Defense Minister Discusss Cooperation

LD0709124394 Tbilisi SAKINFORM in Russian 1138 GMT 7 Sep 94

[Text] Georgian Defense Minister Lieutenant General Vardiko Nadibaidze, who is a member of the Georgian

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delegation attending a meeting in Moscow of the CIS member states' coordinating and consultative committee, met with Army General Pavel Grachev, Russian defense minister. The meeting discussed issues relating to military cooperation between the two countries.

Moscow, Baghdad Discuss Joint Industrial Projects

LD0709185694 Moscow INTERFAX in English 1540 GMT 7 Sep 94

[Text] The Russian-Iraqi commission for trade and economic, scientific and technical cooperation discussed joint projects in Moscow on Wednesday, which might be implemented after the lifting of U.N. economic sanctions earlier imposed on Iraq.

The Ministry for Foreign Economic Relations told Interfax that joint documents were to be signed after consultations finish on Friday.

According to Interfax sources, the joint projects include the development of the oil field Western Kurna with an initial annual output of 11 million tonnes of oil; the construction of a 1,680 megawatt thermal power station, and the laying of a 345 kilometer gas pipeline. All of these projects were being implemented when the 1990 sanctions were imposed on Iraq.

In April 1994, Iraq made more proposals, including the construction of an oil storage facility with a capacity of 1 million cubic meters, of a lubricant manufacturing plant and of a sea terminal, and the modernization of oil refineries. The Russian side estimates these projects at $2-$2.5 million. Iraq is also ready to cooperate with Russia in building four thermal power plants with a total capacity of 4,000 megawatt and a 1,850 megawatt hydro-power plant.

Representatives of the Russian Ministry for Energy and Fuel and of the foreign-trade companies Zarubezhneft, Mashinoimport, Mashinoeksport, Traktoroeksport and Tekhmashimport have held talks to specify the technical and economic characteristics of the projects, which they need to draft Russia's commercial proposals.

The results of the talks are being discussed by the Russian-Iraqi commission. Russia is ready to cooperate with Iraq after the lifting of the U.N. sanctions.

Iraq's 'Aziz Urges Pressure To End Blockade

MM0709180094 Moscow SOVETSKAYA ROSSIYA in Russian 8 Sep 94 pp 1, 3

[Interview with Iraqi Vice Premier Tariq 'Aziz by Gennadiy Musayelyan and Viktor Mikhin in Baghdad; date not given: "Iraqi Vice Premier Tariq 'Aziz: All Quiet in Baghdad. SOVETSKAYA ROSSIYA Interview"]

[Text] Baghdad, Moscow—The authors of these lines have been to Iraq many times: in the days when the young republic had cast off the fetters of imperialism and had begun with incredible speed to successfully build a new life; in the years of the terrible war against its neighbor Iran; and in the times when peace had come and the whole people were rebuilding the ruined cities and villages. And now we were on another visit, in what is, to be frank, far from being the republic's best period.

Despite all the complexities of the present moment, the Iraqi authorities did everything possible to enable the Russian journalists to obtain exhaustive information. Different cities, meetings with workers and peasants, conversations that were no mere formalities with top state figures—T. 'Aziz, the deputy premier and long-time foreign minister; trade and information ministers M. Salih and M. Sahhaf [titles as published]; chief editors of leading publications, and other officials.

Mr. Tariq 'Aziz kindly agreed to give an interview for SOVETSKAYA ROSSIYA.

[SOVETSKAYA ROSSIYA] Mr. Tariq 'Aziz, we flew to Iraq with complicated feelings. On each successive visit we have grown accustomed to seeing Baghdad renewed. But after four years of the embargo we assumed that the general picture would be far from cheerful. But we have seen for ourselves: Despite the blockade and the draconian measures by the United States, Baghdad is alive, the people are not broken, the same order prevails in the streets and squares, people are working hard and energetically, enjoying themselves in the evenings, and the young people are celebrating weddings. What has helped Iraq to stand firm in such difficult conditions?

['Aziz] A large-scale military aggression was perpetrated against the Iraqi people. We know very well that this was not only because of Kuwait. The planes of the United States and of Western and certain Arab countries, their missiles and bombs, were targeted primarily against civilian targets and vital facilities.

Our country's people realized that their lives and all that they have created through such hard work were under threat of destruction. The purpose of military operations of this kind was to break our will for progress and development. That is why, immediately after hostilities ended, the Iraqi people showed determination to uphold their right to sovereignty and independence for the sake of a better life. On this basis, we mobilized all our creative forces and morale.

During my meeting with former U.S. Secretary of State J. Baker, which took place in Geneva on the eve of the aggression against Iraq, he stated threateningly: "We will strike such a blow against Iraq that you will find yourselves back in the pre-industrial era." If you had visited Iraq in March 1991 you would have seen that the country had indeed gone back to that era: There was no electricity, the majority of communications were severed, there was a lack of drinking water, the power stations were wrecked, life had almost totally stopped. We had no fuel, no gas for motor vehicles, and there were not many vehicles left anyway: The plants and factories were in ruins. Our people found their own fitting response to this: work, work, work.

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And we believe that the Iraqis launched a counteroffensive against the American aggression, not by military means, but by civilized methods.

[SOVETSKAYA ROSSIYA] The intention of the U.S. military operations against Iraq is revealed in a statement by Scowcroft, national security adviser to the U.S. President at the time: "This war was extremely convenient for using the might we had created for another war, a war in Western Europe. It enabled us to test our equipment, our concepts of war from the air and on the ground, and so forth." As for the then leaders of the USSR—President Gorbachev and Foreign Minister Shevardnadze— y practically gave Washington carte blanche to act as w 1 gendarme... What do you think, Mr. Vice Premier, n the embargo finally ends, will Iraq be able to enter the old with all other states and live a normal life? After all, Baghdad has in essence already fulfilled nearly all the UN Security Council resolutions, and that is certainly enough to end the embargo. But it still goes on. How do you see the final solution to this problem?

['Aziz] The reason why an economic blockade was imposed on Iraq on 6 August 1990 was, it was stated at the time, the presence of Iraqi troops [in Kuwait]. But those troops have not been in Kuwait for a long time, yet the embargo persists to this day. The majority of the UN Security Council resolutions, especially the main resolutions on Iraq, have been fulfilled, and those that have not yet been realized, to some extent, because of technical difficulties, will be implemented in the very near future. We do not object to fulfilling them. At the same time the UN Security Council has taken no steps along the path of the most basic alleviation of the economic sanctions against Iraq. The reason for the continuation of the blockade lies not in Iraq's allegedly not having fulfilled any UN Security Council resolutions, but in political motives. Suffice it to say that in the past two years the United States has been actively working to change the political regime in Iraq and seeking to create, or bring in from outside, a puppet government of its own. You know Iraq's modern history well. Prior to 1958 our governments were linked to the West. After the 1958 and 1968 revolutions the country freed itself entirely from Western influence not only in the political sphere, but also in the economic and military spheres. Iraq left the Baghdad Pact, which, incidentally, was directed against the USSR, and became one of the most active participants in the Nonaligned Movement and the Arab and world revolutionary movements. We fully nationalized our oil riches, freed the economy from the Western monopoly, and established relations on an equal footing with all states of the world.

It is quite understandable that Iraq's independent policy is not to the liking of the United States and its Western allies. They now want to restore our country to the old colonial system, they want recognition that the United States will today be the controller of destinies.

I can give you rather an eloquent illustration of this. As you know, France took part in the war against Iraq, and since that time it has established good relations with Saudi Arabia, in the trade sphere among others. In particular, trade talks were held between the two countries, and Saudi Arabia decided to buy French aircraft to supplement its air fleet. The deal was for a big sum, on the order of $5-6 billion. But the Americans put gross pressure on the Saudi Government and made it agree to buy not French, but American Boeing planes. B. Clinton personally contacted the king of Saudi Arabia and told him he should buy American planes. This fact, I think, leaves us no need to explain who lays claim to world dominance.

And they want to do the same with Iraq. Our country is rich. Colossal oil reserves are concentrated here, and that is why the United States is refusing to lift the economic blockade, hoping to bring Iraq to its knees and subjugate it entirely to U.S. influence.

Unfortunately Russia too, which is a permanent member of the UN Security Council, stubbornly insists on continuing the embargo against Iraq. We understand the reasons why the United States advocates continuing the blockade. It affects their interests in our region. But at the same time a serious blow is being struck against Russia's interests. A Russian delegation, headed by the first deputy minister of foreign economic relations, visited Iraq recently. The delegation members could see, from the figures we submitted to them, the great losses which Russia has suffered because of the continuation of the economic blockade against our country.

How can the blockade be lifted? The embargo will be ended in two cases. First: If the Iraqi people stand firm in the struggle. Then the United States and its Western allies will realize that they cannot bring us to our knees. Second, because of an increase in understanding on the part of those states that are still continuing the blockade. After all, the continuation of the embargo is damaging not only Iraq, but themselves too, in particular Russia, Turkey, Jordan, and even France. As well as China, India, and many other states that formerly had mutually beneficial economic and trade contacts in our country. That is why it is necessary to galvanize goodwill in the said countries, so that they raise their voices in favor of lifting the economic sanctions against Iraq. And it should be noted that those states that have suffered damage will be acting for the lifting of the embargo in full accordance with international legality, since there is no UN law on imposing a permanent blockade against any state or people in the world. We hope Russia will do its part.

[SOVETSKAYA ROSSIYA] In view of all you have said, how do you, Mr. Tariq 'Aziz, see further economic and trade cooperation between our countries today? Does it have any prospects, in present conditions?

['Aziz] The Iraqi side has goodwill for the full-scale resumption of economic ties with Russia. During the visit of the delegation from Russia, which I mentioned, we signed a number of agreements on economic cooperation between the two countries, in accordance with which Russian organizations could come back to work

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on four major projects. However, I must say that this agreement will be frozen if the economic blockade continues. An initiative to end the embargo is needed from your side, and the Russian Government knows well that it is suffering great losses because of its continuation. If Russia begins a debate in the United Nations on the lifting of the blockade, then I am sure that after one or two discussions of the question the majority in the Security Council will support your country's position, since such a decision will be based on international law, as Iraq has fulfilled all the Security Council resolutions. Such cooperation will constitute a very important aspect of Iraqi-Russian relations. I explained this to the official delegation that visited our country, as well as the fact that relations between Iraq and the USSR did not have an ideological basis, like, for instance, your relations with Cuba or Vietnam. We were not communists, but in spite of that, we cooperated actively with the USSR. The change of regime in your country should not change the nature of our relations with Russia. You, as a state, have your interests in Iraq, and Iraq as a state has its interests in Russia too. So the most logical conclusion is that we should resume our relations. But before that, all the barriers must be removed.

The Russian public must know that the former Soviet Union did not give free aid to Iraq, as it did for other states. Iraqi-Soviet ties created no economic difficulties for the former USSR, since they were mutually beneficial. We bought from you various consumer and civilian goods and military equipment which were paid for in dollars, and major Soviet companies worked in the oil sector, the construction of power stations, power engineering, and other spheres, and also received hard currency. And therefore the resumption of relations between Iraq and Russia, as in the past, will create no difficulties for the Russian economy, but, on the contrary, will give Russia the opportunity to receive billions of dollars for that cooperation. And if this is where Russia's interest lies, Russian diplomacy should act in the interests of its own country, not of certain other states.

Even before the breakup of the Soviet Union, at talks with Gorbachev and Shevardnadze, I pointed out that the USSR's position with regard to events relating to the Kuwait crisis was not entirely in accordance with its own interests. The proof of this is the economic results which you have today.

Let me give you another illustration, which may look like an isolated case. Russia took part in a military exhibition in Dubai (United Arab Emirates) and spent a lot of money on opening a pavilion and showing military exhibits. But not one state in the Persian Gulf region bought your weapons. And the reason for this is not that they are less good than, say, American ones. Your refrigerators may be less good than American ones, but your armaments, which we are very familiar with, are up to the American standard or even better. The reason here is a political reason, and it goes against your own interests.

In this connection a question arises: How can your foreign ministry act against Russia's interests? Iraq says openly: We want to cooperate. But your foreign policy department makes statements against Iraq. The result in practice is that for some reason you have a more benevolent attitude to countries which do not wish to cooperate with Russia. This is a manifest contradiction.

[SOVETSKAYA ROSSIYA] It would be nice to believe that our authorities would take a clearer stance, particularly following the West's disdainful attitude to Russia as a third-rate country, as was essentially demonstrated in connection with the withdrawal of Russian troops from Germany. One of the objectives of our visit is to promote Soviet-Iraqi [as published] relations. We believe that at this time, with the embargo, new economic projects cannot be started immediately, but preparations must be made, time must not be lost. As soon as the embargo is lifted, the very next day a new business era should start. And during a conversation with the minister of trade today we discussed the question of creating a joint bank which could be founded by interested parties. We are ashamed that big capitalist countries have penetrated Russia and are making huge profits by supplying outdated models of industrial products and food beyond its use-by date. While yesterday in a Baghdad store, for example, we saw furniture—a fine suite costing a mere $1,000 or so, maybe a little more. Whereas Western countries, for example, are selling the same suite in Moscow for $4,000-5,000. So why aren't we taking this kind of trade into our own hands? And there are numerous projects of this kind which we could implement.

['Aziz] The mass media bear a big responsibility to the people and should tell the truth, no matter how bitter. Russians have been told that America and Western states will come to Russia's assistance and it will become a flourishing country. This is an illusion. There has never been a case in history of a developed capitalist country selflessly helping another one to become richer and stronger. That is against the laws of capitalism.

Remember World War II. Who started it? Capitalist countries. Why? For an ideological reason? No, the capitalist states were fighting for territories, oil, coal, and other sources of raw material and in order to divide up the colonies. In other words, it was a war based on economics. What is happening now? Tough competition between the United States and Japan, between the United States and Western Europe, struggle on the currency exchanges, increasing exchange rates and commodity prices. How can you think that in such conditions the industrially developed Western states are going to create a new capitalist giant by their own efforts? On the contrary, they now need to weaken Russia, rob it, turn it into a cheap source of raw materials. They need your oil, coal, and timber, not Russian industrial goods. You currently have an industry producing consumer goods, for example. Say you produce television sets. So what happens? Do you supply them to the French market

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or Canada? Of course not. You export them to India, Africa, Nigeria, and the same is true of refrigerators, cars, and weapons. Your interests—the interests of the people, the state, and industry—lie not in the United States, not in the Western states, but with us, in the Third World countries, since Western markets are closed to Russian goods. You well know that the West imports nothing from Russia with the exception of natural resources and modern nuclear technology, and they constitute your national wealth.

We do not wish to interfere in Russia's internal affairs, but we think that your real future lies in establishing and maintaining comprehensive relations will the countries of the East. This does not mean you or us waging wars, including trade wars, against the West. We do not encourage such plans; we wish to live in peace with all states. But everybody must clearly realize where his real interests lie, where the real benefit to his people lies.

[SOVETSKAYA ROSSIYA] The Iraqi debt question has been repeatedly discussed in the Soviet and Russian press. What is your view on this?

['Aziz] In March 1992 Ambassador Yu. Vorontsov raised this question at a Security Council session, and I replied that Iraq acknowledges its debts to all states, including the former Soviet Union. When Davydov was in Baghdad we also discussed this question with him.

So what debts should Iraq pay the former USSR? We received no money, no credits from the Soviet Union. So what was there? The USSR participated in the construction of various facilities, for example the "Yusufiyah" thermal electric power station. Say the cost of the work done by Soviet experts and companies totals $300 million. Iraq has paid $150 million of this, leaving an amount the same size. But the project is still not finished, although you were supposed to hand it over on a "turn-key" basis. We say: Commission the facility, then we'll pay all the remaining money. This problem was discussed in the talks with your delegation, and full mutual understanding has been reached.

[SOVETSKAYA ROSSIYA] The change in forms of ownership in Russia has resulted in powerful private firms and companies emerging alongside state enterprises, particularly in the oil field. Will you cooperate with them?

['Aziz] We have a great desire to cooperate with Russia, with both the state and the private sectors. When we contact France we work first and foremost with French private companies. But the French Government keeps an attentive eye on these relations and their legal basis and protects its companies.

If our relations with Russia resume we will start cooperating with both old and new firms. We know each other well. You have had changes, a change of power, but the personnel (civilian, military, and even diplomatic) have stayed the same.

[SOVETSKAYA ROSSIYA] We thank you, Mr. Tariq 'Aziz, for finding he time to meet with us and give detailed answers to the questions of interest to us. We wish to wish you and your family good health. We ask you to convey the warmest words to Iraqi President Mr. Saddam Husayn.

['Aziz] Of course. And you too convey best wishes to all our friends. We have been and remain friends. A change of ideology and regime does not affect our relations based on mutual respect. We wish for comprehensive contacts to embrace the broadest strata of our people. You have great experience of friendship, including with Iraq, and such an asset must not be lost. We are a southern neighbor of Russia and a stabilizing factor in its political and economic security. Unity [yedineniye] between the two countries will be a guarantee of the security of Russia and Iraq alike. There are fundamental factors which determine states' policy—economics and security. Russia and Iraq must devote special attention to them.

After talking with Tariq 'Aziz we went for a long stroll through evening-time Baghdad, breathing in the spicy fragrance of this southern city. During the times of the famous Harun al-Rashid these very streets were walked by torch-carrying night watchmen intoning: "All quiet in Baghdad!" The Iraqi people have many concerns today, of course. Their lives have become harder. But even now there is still order in the streets, as we once had in Moscow....

Kurdish Spokesman Warns CIS States on Ties With Turkey

LD0809074794 Moscow ITAR-TASS in English 0727 GMT 8 Sep 94

[By ITAR-TASS diplomatic correspondent Sergey Babkin]

[Text] Moscow September 8 TASS—"We fight not for the establishment of an independent state in the territory of Kurdistan but for the respect of the rights of Kurdish people," said here on Thursday Ahmad Dere, spokesman of the National Liberation Front of Kurdistan in the Commonwealth of Independent States (CIS), addressing a news conference for Russian and foreign journalists.

It was held at the Russian-American Information Centre on the occasion of the tenth anniversary since the start of the Kurdish people's armed struggle for their national rights in eastern and south-eastern districts of Turkey (north-western kurdistan), which was marked in August.

The spokesman praised relations shaping up between his organisation and Russia.

At the same time, he warned that "those CIS countries which will build relations with Turkey at our expense, will be resolutely rebuffed." He suggested that those countries should "take into account the Kurdish factor" in building their relations with Turkey.

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Some CIS countries are known to have plans to build oil and gas pipelines through the Turkish territory. These pipelines, if plans are realised, will cross areas where the Kurdish Labour Party (KLP) operates.

As for Russia, it recently concluded a contract for arms deliveries to that country.

The Kurdish spokesman noted that the present aim of his people's struggle is to make Turkey sit at the negotiating table with Kurds to settle the problem politically. Ankara flatly opposes such a move.

It explains its position that, according to Turkey's appraisal, the KLP is "a terrorist organisation". In Dere's opinion, Ankara wants to present the war in the country's eastern areas as a conflict between Turks and Kurds.

He noted that the armed wing of the KLP numbers 35,000 people. Several hundreds of Turks also fight on the side of Kurds.

Dere cited Kurdish data on losses of the sides during the ten- year conflict. According to the spokesman, the Turkish side lost over 24,000 people during the war, including more than 20,000 troops.

The losses of the KLP, the core of the Kurdish Liberation Front, topped 3,000. Taking into account losses among civilians, the war in eastern Turkey tolled 33,000 human lives. These figures differ with Turkish official data, according to which total losses amounted to 12,000 people.

Asked by ITAR-TASS about relations between the liberation front and leaders of Iraqi Kurds Mas'ud Barzani and Jalal Talabani, Dere replied that the Democratic Party of Kurdistan and the Patriotic Union of Kurdistan are "feudal-tribal organisations" greatly influenced by "imperialist states."

Therefore, relations between the liberation front and those two movements of Iraqi Kurds are limited to individual contacts. On the other hand, "thousands of Iraqi Kurds" fight on the side of the KLP, the spokesman stressed.

Kuwaiti Official Arrives in Moscow

LD0709175594 Moscow ITAR-TASS in English 1344 GMT 7 Sep 94

[By ITAR-TASS diplomatic correspondent Valeriy Sevryukov]

[Text] Moscow September 7 TASS—Shaykh Salim al-Sabah, who heads Kuwait's National Committee for Armed Force Personnel and Missing People, arrived in Moscow today.

In an exclusive interview with ITAR-TASS, the shaykh said that his visit is aimed at holding discussions on the problem of freeing Kuwaiti citizens captured during the Iraqi aggression and still held prisoners in Iraq.

Discussions on questions concerning Russian-Kuwaiti relations will also be held during the visit.

Pankin Blames Departure on 'Security Services'

MM0709085794 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 7 Sep 94 p 2

[Radio Sweden report: "Former Ambassador Plans To Engage in Journalism"]

[Text] Boris Pankin, former Russian ambassador to Britain, has stated in an interview with the TT agency that his resignation was the work of [otstavka—delo sluzhb] the state security services. He also said that he plans to engage in journalism.

ROK 'Technical Estate' Planned for Far East Region

SK0709112594 Seoul YONHAP in English 1107 GMT 7 Sep 94

[Text] Moscow, Sept. 7 (YONHAP)—Ground is expected to be broken shortly for the construction of a South Korean technical estate in Russia's Far East.

The estate is to be built under an agreement signed by South Korea and Russia based on an accord reached in talks between the two countries' presidents during Boris Yeltsin's visit to Seoul two years ago.

Sergei Dudnik, administrative chairman of the Nakhodka free economic zone, said on Wednesday a group of South Korean technicians have already arrived to work on the construction of the estate.

Chairman Dudnik said the estate would extend about 100 hectares, which he said would house about 80 South Korean industries.

The Korean industries in the estate would produce mainly light industrial goods and a set of machineries, he said, adding that when the estate goes into operation as planned it would have the effect of giving jobs to about 15,000 Russians including a number of ethnic Koreans.

South Korea would initially invest 50 million dollars in the creation of the estate, Dudnik added.

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Political Issues

Explosion Occurs in Moscow Militia Station

LD0709173394 Moscow ITAR-TASS World Service in Russian 1659 GMT 7 Sep 94

[by ITAR-TASS correspondent]

[Text] Moscow, 7 Sep—At approximately 1830 this evening, during the rush hour, there was an explosion in Sormovskaya Street in the southeast administrative district of Moscow. According to preliminary information, this occurred at the passport office of the 44th militia station. We have not yet managed to learn the details. The heads of the prefecture immediately headed for the scene of the incident.

Death Toll Reaches Six

LD0809110394 Moscow INTERFAX in English 0954 GMT 8 Sep 94

[Text] Six people were killed by a building explosion in Moscow on Wednesday, a spokesman for the municipal government's health department said. Five of them were women, one of whom has not yet been identified, he said.

Forty-six people, including seven children, have been rescued from under the debris of the building, situated on Sormovskaya Street near the Vykhino metro station in the city's Southeastern District. Twenty-six people, among them five children, have been taken to hospital, four of the injured being in a serious condition, the spokesman said.

The two-storey building, which housed the passport department of a local police station and a building maintenance administration, was completely destroyed by the blast, which occurred in the basement, where paints and varnishes were stored.

Meanwhile, a rescue team of about 20 from the Ministry of Emergencies was on Thursday morning still working on the site of the incident, local police officer Captain Nikolay Gorshkov told Interfax.

A senior police officer said it was unlikely that the explosion had been a terrorist act. It must have been the result of somebody's negligence, Vadim Khapin, a senior officer at the City Interior Administration's criminal investigation department, surmised in an interview with Interfax. But experts were not yet sure what kind of substance had exploded, he said.

Khapin said it had been impossible to start a proper investigation till Thursday since rescue work was still underway.

Chernomyrdin Seen Falling From Grace With Yeltsin

MK0709102094 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 7 Sep 94 p 1

[Report by Aleksandr Khinshteyn: "Black Days of Chernomyrdin. Will Viktor Stepanovich Fall Out With Boris Nikolayevich?"]

[Text] Rumors that Russian Premier Chernomyrdin's position in the government is fairly shaky have been circulating for about a month now. Numerous analysts give different reasons for the possible removal of Viktor Stepanovich. The reasons include his incompetence, the cooling-off in his relations with the president, and, which appears most convincing, the behind-the-scenes struggle with other Kremlin titans. For instance, with administration chief Sergey Filatov. Without venturing to forecast the future, we nonetheless could not let pass unnoticed a fairly meaningful incident that vividly illustrates how drastically the premier's position is weakening.

MOSKOVSKIY KOMSOMOLETS has learned that literally the other day a government commission on nonpayments was set up. Although in principle the commission should have dealt with matters concerning the entire industry, it can certainly be called a fuel and energy commission because out of the entire debt of 40 trillion rubles, 30 trillion is owed by the fuel and energy sector.

Naturally, as a former chief of Gazprom, who has not severed ties with his home turf, Chernomyrdin wanted to head the commission, and submitted this request to the president. Boris Nikolayevich did not satisfy it, however; instead, he appointed Deputy Prime Minister Soskovets to the post. Although Yeltsin could not but be aware of the fact that apart from hailing from the military-industrial sector, Oleg Soskovets has fairly strained relations with the premier. There was nothing left for Chernomyrdin but silently to wipe the spit off his face...

Certainly, it is difficult to say that the spit is signaling an early removal. But it cannot be described as other than a demonstrative gesture. Yeltsin is perfectly cognizant of the entire delicacy of the situation, all the more so because that same Soskovets has been named as one of the most probable candidates for Chernomyrdin's post. It is unlikely that the president's objective was to add fuel to a row between the two statesmen. Apparently he just tried to show yet another time who is the boss in the Kremlin.

This incident, however, does not exhaust the conflict between Viktor Chernomyrdin and Boris Yeltsin. Just recently, bypassing the prime minister, the president issued a decree on extra credit creation, which, undoubtedly, provoked a hullabaloo on the banking market and created vast opportunities for financial wheeling and dealing. Such documents must by definition be signed by the head of government ex officio, but Viktor Chernomyrdin actively opposed the overly simplistic and unjustified move. Then Yeltsin simply brushed him aside.

Rybkin Proposes Combined Elections in 1996

LD0709132694 Moscow Mayak Radio Network in Russian 0900 GMT 7 Sep 94

[Text] State Duma Chairman Ivan Rybkin proposed to combine the elections for the new Federal Assembly and for president on 12 June 1996. Speaking on Moscow

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television, he said that it would be erroneous to extend the parliamentarians' term in office. Ivan Rybkin stressed that in order to make enforce a law it is necessary to set an example from above.

Governors Want Simultaneous Local, Federal Elections

MM0809094594 Moscow IZVESTIYA in Russian 8 Sep 94 p 1

[ITAR-TASS report: "Russian Governors: Local Authorities Should Be Elected Together With Federal Authorities"]

[Text] Russian governors have proposed that elections for the executive not be held at local level until 1996.

It was stressed at a session of the Russian Governors' Union that the replacement of the local authorities should be scheduled to coincide with federal elections.

Gaydar Sees Yeltsin as Democrats' Sole Candidate

LD0709132094 Moscow Mayak Radio Network in Russian 0900 GMT 7 Sep 94

[Text] Yegor Gaydar, the leader of the Russia's Democratic Choice party, believes that only Yeltsin can be the candidate from the democratic forces at the future presidential elections. Gaydar described preparations for the coming presidential and parliamentary elections as the most important task. The leader of the democrats believes that rumors about a possible postponement of the elections are groundless.

Investigation of 1993 Attack on CIS HQ Continues

MM0709103394 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 1

[Report from ROSSIYSKAYA GAZETA/ITAR-TASS column under the "Yesterday, Today, Tomorrow" rubric: "Who Opened Fire on the Staff?"]

[Text] Despite the fact that, in accordance with the State Duma's amnesty decree, the criminal prosecution of Stanislav Terekhov, chairman of the Officers Union, has been dropped, the Chief Military Prosecutor's Office is continuing to investigate the circumstances of the attack on the CIS Joint Armed Forces Staff by an armed group headed by S. Terekhov 23 September 1993.

This has been reported by a spokesman for the Russian Chief Military Prosecutor's Office. He said that, in accordance with a requirement of Russian legislation, the persons who seized weapons and are continuing to hold them illegally are being sought, and the perpetrators of the killing of Militia Captain Sviridenko and of Citizen Malysheva are being established.

New Security Equipment Installed in Kremlin

MK0809073094 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 8 Sep 94 p 1

[Unattributed report: "You Can No Longer Smuggle Explosives Into Yeltsin's"]

[Text] MOSKOVSKIY KOMSOMOLETS has learned that extra measures have been taken to tighten security in the Kremlin.

Recently, X-ray equipment similar to what is used by customs offices has emerged at the entrances to the presidential building. Earlier, the checkpoints were equipped only with metal detectors, and security service members checked bags and cases only when they seemed suspicious. Apparently to rule out the possibility of smuggling explosives and ceramic weapons into the presidential building, "computerized surveillance equipment" has been installed at the entrances. Its monitors show all things inside one's bag.

Rutskoy Criticizes President's Anticrime Decree

LD0709185994 Moscow INTERFAX in English 1540 GMT 7 Sep 94

[Text] The Russian president's decree on measures to combat organized crime has not brought about any results, Russia's ex-vice president and leader of the Great Power social-patriotic movement Aleksandr Rutskoy said.

Interfax received his statement on Wednesday which says that real struggle against the leaders of criminal groupings has been replaced by arrests of what he called small fry and with demonstrative operations to appease the public.

The murders of the head of the provisional administration in North Ossetia and Ingushetia Viktor Polyanichko, banker Nikolay Likhachev and State Duma Deputy Andrey Aydzerdzis have not been found. To compensate for that, MMM president Sergey Mavrodi and Vice Chairman of the Russian Union of Manufacturers and Entrepreneurs have found themselves behind prison bars, he said.

Rutskoy believes that the campaign to combat crime will not be a success as long as Boris Yeltsin's criminal-police regime and entourage—the "roof" of the Russian mafia—are in power.

Text of Yeltsin Appeal on Church Reconstruction

MM0709144394 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 3

[Undated "Appeal by the Russian Federation President to Members of the Public Monitoring Council on the Reconstruction of the Church of Christ the Savior" signed by B. Yeltsin]

[Text] Dear compatriots!

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It is with a sense of profound gratitude that I greet you and, through you, all who take on the noble mission of implementing the idea of reconstructing the Church of Christ the Savior.

It has fallen to our lot to live at a difficult time of destruction and creation, of tragic confrontation between the old and the new, and of the changing of economic and political foundations. The long and painful process of people acquiring the ideals of faith, goodness, and love is taking place in the country.

Moral purification has always been and will be a very grave trial. It requires the greatest straining of mental forces and a merciless attitude toward oneself. All the more important are support, human participation, wise admonition, and the strengthening of faith in one's own forces which people received in the church from time immemorial.

Russia needs the Church of Christ the Savior today. It is a Russian national sacred place and must be reborn. With it we will all find it easier to find ways toward social accord and toward the creation of goodness and a life in which there will be less room for sin.

I wholeheartedly support your initiative and I express confidence that the Russian Government and the regional authorities at all levels will treat it as an important state task and will promote its speediest implementation.

I wholeheartedly wish you success in this noble cause.

[Signed] B. Yeltsin

Media Issues

Rumored Merger of Press Committtee, TV Service

MM0709150994 Moscow IZVESTIYA in Russian 7 Sep 94 p 1

[Report by Vasiliy Kononenko: "Is the Agitprop Idea Dead?"]

[Text] B. Mironov's inevitable departure from the post of Roskompechat [Russian Committee for the Press] leader was known long before the prime minister's directive which drew a line under this affair.

There are, however, no grounds as yet for speaking of normal relations between the department for the press and the press itself. Moreover, there is information that passions will again run high as regards the status of Roskompechat and its future leader. IZVESTIYA has at its disposal information that a draft presidential edict on merging Roskompechat with the Federal Television and Radio Broadcasting Service [FTRBS] is being circulated in the corridors of government power.

It is no secret that people within the power structures today (as, incidentally, has always been the case) are dissatisfied with the situation in state television. Most people had high hopes when A.N. Yakovlev, who is well known and respected by society, was appointed to the post of FTRBS leader. Everyone expected that, thanks to his political experience, he would be able to create a new service, which had been called upon to direct the television and radio companies' activities according to principles tried and tested in democratic countries. There is, however, no such service to this day.

It is not hard to work out what a "supermonster" the new "Roskompechat-FTRBS" will become in the Russian news market. Such an administrative and propaganda alliance is capable of overshadowing the former communist agitprop. Against the backdrop of the current struggle for power, the people who have taken control of the propaganda machine and extensive finances will more or less have a monopoly of influence over Russians who have little experience in politics, producing an effect which is immeasurably greater than that of an "MMM" Joint-Stock Company advertisement.

According to some information, V. Sergeyev, the present leader of the government press service, is aiming at the top position in this new department. There is also talk of the possibility of V. Kvasov, the present leader of the government apparatus, being moved to this post. Both men have great influence over the prime minister. For this reason, there is a real possibility of the president signing the edict without it being subjected to due scrutiny.

Meantime, V. Chernomyrdin, having familiarized himself with the draft edict, has suggested that things should not be rushed.

Vladimir Pozner To Head New TV Academy

LD0709220594 Moscow ITAR-TASS World Service in Russian 1505 GMT 7 Sep 94

[By ITAR-TASS correspondent Tamara Ivanova]

[Text] Moscow, 7 Sep—Russian television has acquired its own academy. Its founders are the two major state television and radio companies "Ostankino" and the Russian channel, the independent television companies NTV, TV-6 and 2x2, the Association of Independent Television Producers, and a number of other structures.

Vladimir Pozner has become president of the Russian Television Academy and Vladislav Listyev will be vice president. The first 12 academicians were elected at the inauguration meeting. They include Anatoliy Lysenko, Vladimir Molchanov, Yevgeniy Kisilev, and Eldar Ryazanov.

The academy's main brief is to raise the professional level of television, and to conduct research in this sphere and a whole host of other areas. The academy has also inaugurated its own Russian television Oscar, which will be presented every year for the best works in various categories. The title of this award—"Tefi"—is derived

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from the words "televizionnyy efir" ["television airtime"]. The first awards, which promise to become a very spectacular ceremony, are planned to be held in May 1995.

In addition to the academy, a fund for the development of Russian television was also inaugurated. Its council will be headed by Grigoriy Shevelev, first deputy chairman of the "Ostankino" Television and Radio Company.

IZVESTIYA Sued for Insulting Mironov's 'Honor'

MM0809083194 Moscow IZVESTIYA in Russian 7 Sep 94 p 4

[Unattributed report: "Former Minister Continues to Measure His Honor in Hard Currency"]

[Text] The editorial office has received a curious document: A certain one-man private enterprise has again sued to protect the honor and dignity of "Mr. Boris Sergeyevich Mironov, chairman of the Russian Federation Press Committee." Alas, as is known, life and the president of Russia have necessitated amendments to this document and the action should now be deemed to have been brought in the interests of "Mr. Mironov," a member of a liberal profession.

What was it that offended the honor and dignity of the former committee chairman? The previous action for $1 million was reported in M. Khazin's report "Government Member at Law with IZVESTIYA" on 23 July. It was this item that prompted a second court action. But whereas before the plaintiffs were demanding a repudiation of certain factual information and of the description of B. Mironov's political orientation cited in an article by V. Vyzhutovich, entitled "Combining Jobs" (IZVESTIYA No. 100, 28 May 1994), this time they objected to the allusion to their principal's ignorance of the law. But, presumably, the victim (or the one who saw himself as such) definitely approved all the actions and texts of those to whom he had entrusted the defense of what it seemed to him was most dear. But they, the texts, do not conform to the law in any way.

Ignoring the Russian Federation Supreme Court Plenum decree to the effect that the **editorial board** and the author are the sole defendants in these cases, the individual businessmen, with the approval of their formerly high-placed principal, are stubbornly demanding that the chief editor be elevated to the rank of defendant as well.

The legal absurdities pile up: They had demanded that V. Vyzhutovich be prohibited from writing in IZVESTIYA, and now they challenged editorial board representation in the judicial proceedings, which is not provided for in any law.

The following tasty detail is also mind-boggling: Instead of the 10-ruble [R] state duty the plaintiffs paid R1,000 (!). Did they not know or were they paying in advance for another 99 suits?

They petitioned the court for the seizure of IZVESTIYA's bank accounts, totally forgetting (or maybe again they were unaware?) that such measures are not applicable in a **nonproperty** suit.

Finally, one of the points in B. Mironov's contract with the aforementioned private enterprise is very impressive: "Payment for work (services) under the present contract is to be made when the court has satisfied the firm's petition...and on receipt of the referee's order [prikaz arbitra] to transfer funds from the clearing account of the defendant, the newspaper IZVESTIYA, due to nonacceptance [v bezaktseptnom poryadke], to the firm's clearing account...." One can guess the meaing of this rigmarole, but where did the referee come from? A soccer referee, is it? Because there is no such post in the legal system.... (We are not giving the name of the firm in order not to damage its business reputation).

The second suit names the same figure of $1 million as compensation for psychological damage.... Incidentally, this document is signed by B. Mironov himself. Maybe that is why there are considerably fewer grammatical errors in it than in the first one.

Chernomyrdin Bans 'Unscrupulous' Financial Advertising

MM0709122794 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 3

[Untitled Directive No. 1409-r of the Russian Federation Government dated Moscow, 2 September 1994 and signed by V. Chernomyrdin, chairman of the Russian Federation Government]

[Text] For the purposes of protecting consumers' rights from unscrupulous advertising which misinforms the consumer and harms state and public interests, and on the basis of the Russian Federation Laws "On the Mass Media" and "On Protection of Consumers' Rights":

1. The Russian FSTR [expansion unknown; presumably Federal Television and Radio Service], the Russian State Television and Radio Company "Ostankino," the All-Russia State Television and Radio Broadcasting Company, and other state organizations carrying out television and radio broadcasting in the Russian Federation, as well as the editorial boards of the newspapers ROSSIYSKAYA GAZETA and ROSSIYSKIYE VESTI jointly with the Russian State Committee for Anti-Monopoly Policy and Support of the New Economic Structures, must take measures without delay to suspend and to prevent in the future the broadcast (publication) of advertising of the services of banks, financial, insurance, and investment enterprises, establishments, and organizations, joint-stock companies, and other legal entities and citizen entrepreneurs (hereinafter called advertisers) which attract the funds of citizens and legal entities in violation of the requirements of existing legislation.

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In accordance with Russian Federation legislation, contracts and agreements on advertising the activities of the aforementioned advertisers in state mass media are to be deemed invalid.

2. The Russian State Committee for Anti-Monopoly Policy and Support of the New Economic Structures, by way of ensuring control over the scrupulousness of advertising, is to determine, jointly with the Russian FSTR, a procedure for examining cases of violations of the principles of scrupulous competition and of consumers' rights to receive reliable information in radio and television advertising of the services of banks, financial, insurance, and investment enterprises, establishments, and organizations, joint-stock companies, and other legal entities and citizen entrepreneurs.

3. The Russian State Committee for Anti-Monopoly Policy and Support of the New Economic Structures and the Russian FSTR, with the participation of the Russian Committee for the Press, are to examine the question of the expediency of creating an interdepartmental advertising council and to submit coordinated proposals to the Russian Federation Government.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government

Suspends MMM Advertisements

MM0709140194 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 3

[Untitled Directive No. 1410-r of the Russian Federation Government dated Moscow, 2 September 1994 and signed by V. Chernomyrdin, chairman of the Russian Federation Government]

[Text]

1. In connection with the MMM Joint-Stock Company's violation of the provisions of the Russian Federation President's Edict No. 1183 of 10 June 1994 "On the Protection of Consumers From Unscrupulous Advertising"—[namely,] the publication in the mass media of supposed quotations of its shares—advertising of the MMM Joint-Stock Company in state mass media is to be suspended for the purposes of preventing the population's misinformation, and also taking into account the Russian Federation General Prosecutor's Office appeal to the effect that the increasing volume of advertising of the MMM Joint-Stock Company creates additional social tension in society and hampers the speediest investigation of the criminal case against the president of the said joint-stock company.

2. This directive comes into force the moment it is signed.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government.

Gryzunov: New Law on Free Speech Needed

MM0709134594 Moscow ROSSIYSKIYE VESTI in Russian 7 Sep 94 p 1

[Report on interview with Press Committee Deputy Chairman Sergey Gryzunov by Nikita Vaynonen; date, place not given: "So Far No Guarantees Against New Encroachments on Free Speech"]

[Text] ROSSIYSKIYE VESTI's correspondent met with Press Committee Deputy Chairman Sergey Gryzunov, who was one of the most active opponents of the unlawful actions of former Committee Chairman Boris Mironov, which gained notorious publicity.

"Mironov's time in this post," our interlocutor said, "created a paradoxical legal situation. The allocation of resources, cadre policy, and finally the public comments and other steps by the Press Committee chairman were made by him on behalf of the state, under whose sponsorship the ideology of Russian nationalism was thus actively propagated. But Article 13 of the Russian Federation Constitution says clearly and unambiguously: 'The Russian Federation recognizes ideological diversity. No ideology can be prescribed as a state or compulsory ideology.' So, in relieving Mironov of his post, the president was essentially fulfilling his obligation to be a guarantor of the observance of the country's Fundamental Law.

"Unfortunately, the incident with the former Press Committee chairman is merely an episode in a chain of events which indicate that encroachments on free speech have not ended. Once again plans to amalgamate all state services dealing with the press into one supermonopolist structure are being conceived. If this is an attempt to win the elections by this method it has not, to put it mildly, been thought out completely. We have already experienced this in December 1993, when strident reports that democracy would triumph in the elections with a huge majority turned into a painful slap in the face for it.

"To this day we have not really seriously set about elaborating and implementing state strategy for Russia's informational development. Flexible long- and short-term programs for supporting the mass media are needed. What is especially needed is help for those local journalists who want but are unable to defend the ideas of democracy, experiencing tight marking from the local administration. The existing Law on the Press, which was very good for its time, requires updating: It contains too many loopholes allowing the abuse of free speech. It is time to draft a new law based on it, and we urgently request the existing law's authors (although they currently have other concerns) to take part in this."

Economic Issues

Draft Budget for 1995 Previewed

LD0709165194 Moscow INTERFAX in English 1321 GMT 7 Sep 94

[Text] The Russian government's draft consolidated budget for 1995 sets a target of keeping the deficit under

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5 percent of the gross domestic product (GDP) and revenues at around 250 trillion rubles, Deputy Chairman of the State Duma's Committee for Budget Finances, Taxes and Banks Aleksandr Pochinok said.

Pochinok said that the draft federal budget, the government is to submit to the State Duma by September 15, makes it possible to rein in inflation at three percent a month. Meanwhile, Finance Ministry proposals ease the tax burden on commodity producers by 1.5 trillion rubles, Pochinok added.

Pochinok said that Tuesday's session of the working group under Vice Premier Aleksandr Shokhin considered the Finance Ministry's proposed tax amendments. Pochinok said that proposals for raising the income tax on individuals "failed to meet with support and will most probably be seriously corrected."

Pochinok said there were plans for cancelling many tax benefits in 1995 as well as the three percent special tax used to support the coal industry and agriculture. At the same time there will be an increase in individuals' property taxes and a number of other adjustments.

Pochinok avoided disclosing any other details about Finance Ministry's proposals, saying that a final assessment will be made at the session of Shokhin's working group on Monday and later at the meeting of the Cabinet, before the draft budget goes before parliament.

Pochinok noted what he described as the "very serious and responsible approach" by the government to forming the draft budget for next year.

This year's budget, approved as late as June, provides for keeping the deficit under 10 percent of the GDP. Inflation in Russia fell from 21 percent in January to four percent in August.

Energy Ministry Proposes Debt Repayment Plan

LD0609195594 Moscow INTERFAX in English 1607 GMT 6 Sep 94

[Text] Russia's Fuel and Energy Ministry has suggested a new scheme for the cancellation of arrears in the energy industry.

The scheme, to replace a 1992 one, is set out in a report to be submitted by the ministry to a meeting of a government commission. The meeting, to be held on Wednesday and chaired by First Deputy Prime Minister Oleg Soskovets, is being specially convened to discuss the arrears problem in the energy industry.

The ministry suggests that unprofitable enterprises be declared bankrupt instead of being made to pay their debts, that bank bills be used as means of canceling debts and stronger penalties introduced for payment delays.

According to the ministry's report, as of August 1 consumers owed the country's energy enterprises a total of 34.91 trillion rubles, while the energy enterprises' debt to banks and deliverers totaled 23.69 trillion rubles.

Members of the Commonwealth of Independent States (CIS) owed Russia's energy producers 4.23 trillion rubles as of the same date, which accounted for 12 percent of the total consumer debt. Ukraine's debt of 2.54 trillion rubles amounted to 62 percent of that sum.

The ministry describes the financial situation in the energy industry as critical. Wage arrears, for example, had reached 940 billion rubles by August 1, according to the report. Money shortages are fraught with "a drastic degradation of the production potential of the industry," the report says.

The ministry proposes reorganizing the system of transactions between banks, applying tough sanctions for breaking payment deadlines, and creating a mechanism to induce the population to make investments in the economy.

Government Rejects Ministry Proposal

LD0709195594 Moscow INTERFAX in English 1741 GMT 7 Sep 94

[Text] The concept for overcoming the financial crisis in the Russian fuel and energy complex was not supported by the commission on improving the payments and settling system under the Russian government which held its meeting in Moscow today.

The government commission said that the concept of the Russian Fuel and Energy Ministry had been ill-conceived. The commission urged the ministry to stop trying to resolve the problems of the fuel and energy complex by seeking preferential credits and strengthening the control over the prices.

Russian Fuel and Energy Minister Yuriy Shafranik said at the meeting of the commission that the fuel and energy complex had been supplying consumers with its production for free for six months. He said that the nonpayments in fuel and energy enterprises had reached 34.9 trillion rubles by September 1.

The commission said it believed that the Fuel and Energy Ministry tried to obtain unilateral privileges for fuel and energy enterprises, including distribution of state credits with interest one third of the interest rate of the Central Bank of Russia (which is now 130 percent a year).

In particular, the Fuel and Energy Ministry asked for a 483 billion-ruble preferential credit and urged the imposition of tough sanctions for "freezing" the funds of fuel and energy enterprises going as far as depriving commercial banks of their licences.

At the same time, the governmental commission backed several proposals of the Fuel and Energy Ministry including on mutual reconciliation within this branch of the industry with utilization of treasury bills and selling debts at auctions to foreign buyers.

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Nonpayments May Lead to Energy Price Hikes

MK0809103094 Moscow SEGODNYA in Russian 8 Sep 94 p 2

[Report by Lev Aleynik in the "Forecast" column: "The Nonpayments Crisis Will Jack Up Energy Prices. The RUIE Expert Institute Has Published the Results of Its Study"]

[Text] The nonpayments crisis in Russia has been growing for many months, and the efforts taken to overcome it have so far not only failed to lead to visible success, but have not even suspended the process in the least. Moreover, the long overdue indebtedness by Russian buyer enterprises to their suppliers "since the beginning of the year has quadrupled and as of 1 June stood at 34.8 trillion rubles [R], including R26.7 trillion in industry." These data were yesterday released by the Expert Institute of the Russian Union of Industrialists and Entrepreneurs (RUIE).

Judging by the results of the study, one of the main debtors in Russia are enterprises of the fuel and energy complex. In particular, from October 1993 to June 1994 the complex's share in the aggregate overdue indebtedness has grown from 37 percent to 51 percent.

RUIE Institute experts believe that the main fuel consumers—energy, transport, and heavy industry enterprises—in the context of a sales crisis and the resultant impossibility of raising prices are being confronted with the dilemma: Either pay for the fuel and be left with no funds, or delay payments. The majority of them continue to delay paying because, according to information in SEGODNYA'S possession, none of them has ever been punished for doing so.

Meanwhile energy sector enterprises themselves are not receiving money for energy supplies made: They are owed R4.6 trillion while their own debt is 3.2 trillion.

RUIE economists said that the negative balance in mutual settlements between energy enterprises and their partners will soon become cause for further growth in energy tariffs in the country.

RUIE Institute experts believe that to deal with the problem of nonpayments by energy consumers, it is necessary to promote intersectoral agreements. This "should hold down the growth of prices and coordinate the level of wages," the authors of the analytical report sum up.

A highly placed source at the Russian Federation Fuel and Energy Ministry, who asked to remain anonymous, confirmed to SEGODNYA's correspondent that the RUIE experts' conclusions are based on a sufficient knowledge of the present situation in the sector and reflect the actual state of things in this sphere. Therefore, the source is convinced, "unless there is an economic miracle—which would be naive to expect—a jump in energy prices is virtually inevitable."

Apparently some sectoral directors are still sure that the government will not have any other way out except a large-scale credit emission, and therefore payments can be postponed for the time being.

Renationalization of Fuel, Energy Sector Possible

MK0809080094 Moscow NEZAVISIMAYA GAZETA in Russian 8 Sep 94 p 1

[Report by Ivan Storozhev in the "Government" column: "The Fuel and Energy Ministry's Approach Has Been Deemed Antimarket. Short-Term Nationalization of Enterprises Is Possible"]

[Text] The government commission on upgrading the system of payments and settlements, whose session yesterday was chaired by Viktor Chernomyrdin, rejected the Fuel and Energy Ministry's concept for overcoming the payments crisis in the fuel and energy complex, POSTFACTUM reports.

Fuel and Energy Minister Yuriy Shafranik, who addressed the commission session yesterday, stated that as of 1 August the fuel and energy complex was owed 35 trillion rubles [R] while the complex itself owed only R24.6 trillion. He made a number of specific proposals on overcoming the payments crisis in his department. First of all, the minister noted, it is necessary to speed up the practical implementation of presidential edicts bearing on the circulation of promissory notes, on clearing up procedures, and on bankruptcy of enterprises. According to the minister, it is also essential to raise the responsibility of fuel and energy enterprise directors for nonuse of their hard currency accounts, and the rights of the state to manage fuel and energy enterprises' controlling block of shares should be enforced. The minister proposed setting tougher requirements for energy supplies to the fuel and energy complex's debtors. Furthermore, the minister proposed organizing mutual debt cancellation among the sector's enterprises, using an emission credit of R2-3 trillion at one-third the Central Bank's lending rate. After hearing and discussing Yuriy Shafranik's report, commission members decided to reject the proposed concept "as failing to correspond to the principles of a market economy," POSTFACTUM reports.

Yesterday's session of the commission also decided to cancel the Finance Ministry's instructions obligating enterprises that chose to launch a secondary issue of their shares to conduct preliminary reassessment of their assets, INTERFAX reports. The problem is that general reassessment forced the enterprises to pay huge taxes for increasing their working capital. In Mr. Chubays' estimates, the revocation of the Finance Ministry instructions will allow more than 20,000 Russian enterprises to attract large funds to address the problem of nonpayments and production development, including the joint stock company Russia's Integrated Power Grid.

A curious statement was made by Aleksandr Livshits, chief presidential economic adviser, a day earlier in an

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interview with ITAR-TASS. According to him, the main reason for the nonpayments is "legal amoral entrepreneurship." The agency quotes him as saying that "some 50 large enterprises have been identified, in particular in the oil industry, which supply their products to private firms, knowing very well that payments for them will not be forthcoming until 1 to 1.5 years later." Although other serious violations are also observed, it is impossible, according to Aleksandr Livshits, to dismiss such directors because they were elected by a council of stockholders. With respect to such enterprises the state plans to buy out their controlling block of shares, which will allow putting them under control.

Commenting on his statement in an interview with NEZAVISIMAYA GAZETA, Aleksandr Livshits said that this is his personal opinion. He sees no reason, however, why nationalization with subsequent reprivatization should be excluded from the requisite measures of state participation in putting the economy in order, because the existing powers are obviously insufficient.

Negotiations Held With IMF on Reserve Credit

LD0809094994 Moscow ITAR-TASS in English 0901 GMT 8 Sep 94

[Text] Moscow September 8 BUSINESS-TASS—The current negotiations here between a working group of the International Monetary Fund (IMF) and Russian authorities on 4-billion-dollar reserve credit to Russia are of a preliminary character, the head of the IMF mission in Moscow, Jean Foglizzo, told BUSINESS-TASS.

A concrete decision on the matter will be adopted in October, he said.

Foglizzo had no doubt that the negotiations would bear fruit. According to the official, the IMF supports the position of Russian Vice-Premier Aleksandr Shokhin, who stated recently that it is in the interests of both Russia and the IMF to wait for some results of the stabilisation policy before signing such an agreement.

Chernomyrdin Requests Changes in Securities Issuing

LD0709164194 Moscow ITAR-TASS in English 1106 GMT 7 Sep 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

[Text] Moscow September 7 TASS—Russian Premier Viktor Chernomyrdin has ordered the Finance Ministry to revise before the week is up its instruction, regulating the process of secondary and subsequent emissions of securities by joint-stock societies. He issued this order today during a meeting of the Russian Government's commission working on the improvement of the system of payments and accounts.

One of the articles of the instruction lays down that if a joint-stock society emits securities for the second or more times, its authorised capital is to be calculated on the basis of all the earlier effected indexations of the cost of the enterprise's fixed capital, the total index of which has already reached 400%. In this case, the enterprise will have to pay, given another emission of securities, a tax which even the largest joint-stock societies cannot afford.

As a result, there are no new emissions of securities by joint-stock societies, no investments in the production sphere, and no revenues in the budget.

Chernomyrdin Cited Grain Exports, Imports

LD0709165494 Moscow INTERFAX in English 1540 GMT 7 Sep 94

[Text] Russia will be able to provide itself with grain in 1994, but it will export and import some varieties, Russian Prime Minister Viktor Chernomyrdin said on Wednesday commenting on his brief meeting with U.S. Secretary for Agriculture, Mike Espy.

The talks were not initially included in the agenda of Espy's visit.

Chernomyrdin said that this year's harvest will amount to at least 92-96 million tonnes (as against 99 million tonnes last year). In addition, Russia has large stocks of rye and barley and therefore it intends to export them not only to the CIS but also to Western countries. The country may sell, said Chernomyrdin, a certain proportion of the wheat harvest.

Chernomyrdin said he saw "nothing tragic" in the fact that Russia will continue to import the varieties of grain its lacks or import grain to the Far East since it is very expensive for the country to deliver grain to the region.

"If it is possible to sell grain, Russia will sell it, if there is need to buy it, Russia will do so," said Chernomyrdin at the talks with the U.S. delegation.

He refused to forecast retail prices for the end of the current year, saying that both producers and consumers should have enough products, so the price will be determined by the market.

Earlier on Wednesday, Russian Agriculture Minister Viktor Khlystun said after his meeting with Espy that Russia will import in the current season a certain amount of maize, dried soya beans and a small amount of high-quality wheat, but no more than 5-7 million tonnes.

Program Drafted for Cutting Import Tariffs

LD0809100594 Moscow ITAR-TASS in English 0917 GMT 8 Sep 94

[By BUSINESS-TASS correspondent Irina Bolshova]

[Text] Moscow September 8 TASS—The Russian ministry for Foreign Economic Relations has drafted a programme for cutting gradually rates of the import customs tarrif, which will operate for ten years.

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Aleksandr Daniltsev, head of the ministry's chief tariff administration, told BUSINESS-TASS on Thursday that cuts in import customs would be carried out along with the rise in competitiveness of Russian enterprises and taking into account Russia's trade and political interests.

"We do not seek to create 'greenhouse' conditions for Russian enterprises," Daniltsev noted.

"But they should be given time to stand on their feet under new market conditions, although it is necessary now to settle an objective contradiction between the problems of Russian producers and the interests of consumers on the domestic market when setting rates of import tariffs, he added.

The balance of these interests is of dynamic nature, but it is not expedient to change import tariffs spontaneously. Reasonable stability should be observed, Daniltsev continued.

The period for the programme's implementation is ten years. It will be enough for the complete renewal of production. "We shall have time to determine whether we shall be able to supply the domestic market on our own or yield positions to foreign goods in some spheres," he said.

Decrease in rates of import customs will decelerate if domestic producers consolidate their positions, and Russian export rises in some or other items. This is a world-wide practice, Daniltsev noted.

"We understand that the implementation of the gradual decrease in import customs will require balanced decisions from us in the framework of the trade policy, taking into account domestic and foreign factors," he went on to say.

"The discussion of our regulatory system for foreign economic activities, including rates of customs tariffs, is on the agenda of talks for Russia's accession to GATT/WTO, during which the Russian side is ready to examine proposals on their changes, hoping, in turn, that our trading partners will meet us halfway," Daniltsev stressed.

According to this official, although the programme's implementation will start in 1995, it can be expected that rates of the import tariff will be adjusted this October. This will concern, above all, goods, rates of import customs on which top 30 percent [sentence as received].

Yeltsin Sends Message to Bankers Forum

LD0809104394 Moscow ITAR-TASS in English 1010 GMT 8 Sep 94

[By ITAR-TASS correspondent Leonid Vinogradov]

[Text] Vladivostok September 8 TASS— Russia's Far East is set to evolve from the country's outback and raw materials appendix into one of the most promising Russian regions, President Boris Yeltsin says in a message addressed to the first international congress of bankers from the Asian-Pacific countries which continues its work in Vladivostok.

The message expresses the hope that the forum will identify new prospects for the development of investment processes in the Far East and facilitate economic integration and international cooperation.

Major bankers from Japan, Germany, Russia and Singapore have addressed the congress. Representatives of the Japanese financial circles have called on the Russian Federation to upgrade accuracy in paying off credits provided by foreign banks and interest on loans.

The forum of Asian-Pacific bankers has worked out recommendations for investment activity in the Far East. If these recommendations are put into life, foreign investors will be happy to invest in Russia's Pacific rim, specialists said.

Finance Corporation Chairman Interviewed

MM0809100394 Moscow ROSSIYSKIYE VESTI in Russian 6 Sep 94 p 2

[Interview with Andrey Nechayev, president of the Russian Finance Corporation, by Andrey Kolesnikov; date and place of interview not stated: "The 'Top Echelons' Understand but the 'Lower Rungs' Are Blocking It"]

[Text] Andrey Nechayev is president of the Russian Finance Corporation. He worked as minister of the economy in the most "romantic" period of the reforms—the Gaydar period, in 1992.

It is believed that Yegor Gaydar was looking for a cosy spot for his "pal"—the Russian Finance Corporation. But this "spot"—a corporation involved in investments—has now proved to be at the very epicenter of the second stage of the reforms.

[Kolesnikov] Andrey Alekseyevich, recently you have not been seen on the brightly lit stage of "big" politics. Is that a deliberate choice?

[Nechayev] The problem of taking part in politics does not always depend exclusively on the person. The political situation, the economic situation, and the fate of the circle of likeminded people with whom that politician is linked play their part here. But I did indeed want to try to create a serious investment institution working for the state. If I succeed in changing the entire system of the organization of the investment process in the country many political tasks will be resolved.

[Kolesnikov] What is the Russian Finance Corporation? A ministry of investments?

[Nechayev] I object in principle to the Russian Finance Corporation being a ministry of investments. Investment structures similar to the Russian Finance Corporation are state structures in terms of their tasks, ownership, and subordination, but at the same time they

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operate on the basis of commercial principles. They are interested in ensuring that the money which the government invests is used effectively.

Unfortunately, so far this is being done badly. The classic Soviet situation is being reproduced, whereby there is support "from above" (there is a presidential edict and a government decree) but somewhere in the "lower echelons" of the apparatus many undertakings are blocked.

In accordance with the presidential edict and the government decree an investment fund should be created and put at the Russian Finance Corporation's disposal for resolving the tasks in which similar structures engage, in particular in the West. That means above all encouraging private investments. Money from this fund could be used as direct investments in the shares of enterprises, in the form of credits, or as guarantee money.

The question arises: Do I know why activity of this kind is being delayed? Yes, I do know. And I have already grown tired of keeping quiet about it. The Ministry of the Economy is trying to act more or less sensibly but it is being subjected to constant pressure from various lobbyists. As a result the list of projects for which investment credits are issued is formed largely under their influence. There are great doubts as to whether this list is as good and effective as possible.

[Kolesnikov] And does the Ministry of the Economy consult with you?

[Nechayev] Sometimes they send projects for a feasibility study or conclusion. We ourselves recommend some projects. They have been financed and have indeed proved effective. For instance, in the field of agricultural process and the production of equipment for private farmers and dacha facilities. But this has not yet become a system.

According to the scheme which now dominates the Ministry of Finances gives money to the Industrial Construction Bank [Promstroybank] and compiles a list of banks through which these credits should pass. When this list is compiled the same "rules" apply. The Promstroybank performs a very simple operation. It cuts up the list of projects received from the Ministry of the Economy into "strips" and sends them out to these banks. Here it concludes credit contracts with them and takes one percent without bearing any responsibility for the return of the money or for attracting private funds. This does not worry anyone and at worst an official risks losing his job. So I say that an organization likes ours should not be a bureaucratic organization but a commercial one and should have a substantial incorporation capital and work for a profit and risk that capital.

If last year investment credits were something like 700 billion rubles [R] 1 percent of that sum—R7 billion—was received by Promstroybank bankers and perhaps by officials connected with them for work in cutting up paper.

The money is thus spread around and it is known that there will not actually be enough to implement the project.

So far we have not managed to break this system. The Ministry of the Economy with the participation of the Russian Finance Corporation and Yuriy Petrov's state investment corporation prepared a draft decree which partially altered the existing procedure—20 percent of funds should go on truly effective projects on a returnable basis. This decree has been lying around for six months now in the government apparatus and we do not know when it will be signed.

[Kolesnikov] How does the Russian Finance Corporation differ from Yuriy Petrov's department? Do you have the same tasks? Why two investment corporations at the same time?

[Nechayev] The field here is so unplowed that there is enough room for five corporations. Historically it was my idea. I have always viewed structures of this kind as the economic management extension of the Ministry of the Economy, helping the government to resolve the tasks of structural restructuring. I passed on a note and the draft edict on this subject to the government back in the summer of 1992. In part these ideas were realized with the creation of the state investment corporation and then the Russian Finance Corporation.

We cooperate closely enough but there is still a separation of functions. The state investment corporation is more geared to the creation of a system of insurance for investments. For instance, they created a company to ensure against political risks. In addition Petrov's corporation has the right of a special exporter of oil, which it uses actively. We have concentrated on project financing, on the elaboration of methods of assessing investment risk and preparing business plans. We have helped a number of enterprises to publicize their projects and we have directly financed a number of projects, for instance, the provision of facilities for the port in Lomonosov City. The second major avenue of the Russian Finance Corporation's activity is privatization. That includes feasibility studies for investment programs for enterprises undergoing privatization and the organization of auctions for the sale of shares.... A third avenue is work on the securities market. Including Ministry of Finances currency bonds which, largely thanks to our efforts, have become securities which more or less comply with the world standard. The prospect of the emission of Russian Finance Corporation bonds with a nominal value in hard currency has been worked out. We also work on the short-term state bonds market.

[Kolesnikov] Your forecast of the "temperature" of the investment climate in Russia and the prospects of government policy in this field?

[Nechayev] Unfortunately I do not see a special government policy on this matter. There is the absolutely correct identification of the problem and ways of

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resolving it. The government has frequently stated that it is counting on support from private investments, the creation of the necessary investment institutions, and the attraction of foreign investors. But that is verbally. In practice specific actions, for instance the raising of the import tariff, are a blow to investments.

But nonetheless some signs can be seen that the government is nonetheless successfully implementing many macroeconomic measures. The general economic situation has become slightly more favorable and inflation and the dynamics of the currency exchange rate have become more predictable, which makes it possible to look more optimistically at the future of the investment process in Russia.

Finance Company Protests Refusal of Banking License

MM0709152194 Moscow ROSSIYSKIYE VESTI in Russian 3 Sep 94 p 2

["Informational announcement" by "Russkiy Dom Selenga" Closed-Type Joint-Stock Company Press Center, dated 31 August 1994, and "printed as an advertisement"]

[Excerpt] Talks with "Russkiy Dom Selenga" leaders took place 29-30 August at the Central Bank of Russia's Volgograd Administration on the financial company's obtaining a banking license. Because of bank officials' critical comments the documents for this were repeatedly redrafted, which caused temporary intervals. It should be noted that mutual understanding was reached on many points. But L.M. Kirichenko, first deputy head of Volgograd Oblast Administration, who attended these meetings, expressed strong dissatisfaction with the leadership of the Central Bank of Russia's Volgograd Administration, which is illegally delaying the application to the Central Bank to grant "Russkiy Dom Selenga" a license. The deputy governor accused the Volgograd state bankers of being unwilling to proceed toward a constructive dialogue and find compromises. Another opinion is that this intransigence could also have been caused by the fear of making a big decision: How will the "upper echelons" see it? The customary Soviet mentality....

"Russkiy Dom Selenga" representatives flew to Moscow with all the necessary documents on Wednesday, 31 August.

Literally the day before, in an interview with BIZNES-TASS news agency, A. Drugov, deputy chief of a Central Bank of Russia department, noted that the chances of "Russkiy Dom Selenga's" obtaining a license in the near future were not too bad.

In particular, Aleksey Drugov said that the repeated refusals of the Central Bank of Russia's Volgograd Administration to grant "Russkiy Dom Selenga" a license are most likely prompted by political (?) reasons. According to him the only serious restriction on the founders of any bank is if the amount of incorporation capital does not conform to the minimum level prescribed by the Central Bank. As is known, from 1 March 1994 it must total 2 billion rubles [R]. In connection with this "serious restriction" we once again report that in three years of operations "Russkiy Dom Selenga's" incorporation capital has increased from R10,000 to R2.3 billion. This is the figure mentioned in the application for a license. Let us hope that the last obstacle to obtaining it has been removed.

The news that, two weeks following the suspension of its operations, "Russkiy Dom Selenga" could not resume them on a legal basis could not have been pleasant for investors. Additional nervousness was caused by the suspension of operations of other financial companies working with the population's investments and the hasty statements about their reliability and the legality of others. "Russkiy Dom Selenga" has no information which gave rise to this in any company; we are much more concerned about our own problems: Acquiring legal status and continuing to unconditionally meet our commitments to 1.5 million Russians. [passage omitted]

Aerospace Firms to Form RAC, Aerospace Bank

LD0809113494 Moscow INTERFAX in English 0954 GMT 8 Sep 94

[Text] Leading Russian aerospace firms intend to set up a Russian Aerospace Company (RAC) and an Aerospace Bank as a first step toward founding a powerful financial and industrial group in the industry.

Aleksandr Dolgov, an official of the Molniya research and industrial company, told Interfax that the new corporation would run commercial projects, in which large Russian and western firms would be involved, with the goal of recovering the aerospace markets that Russia had lost.

The RAC will also incorporate the Energiya research and industrial company in the Moscow region, the Makeyev Rocket Center in the Urals, the Khrunichev Space Research and Industrial Center in Moscow and also the Antonov Aircraft Building Research and Industrial Center and the Yuzhnoye (southern) design board in Ukraine.

Dolgov said that founding documents of the RAC had been approved by the State Defense Industry Committee. The financial and industrial group is likely to become the first of the 30 to 40 corporations to be set up in the Russian defense industry.

The RAC will be engaged in the aerospace monitoring of earth, Europe-Asia air freighting via the cargo terminal to be constructed in Baykonur, development of multipurpose space systems, construction of international airports, development of aircraft for business executives and support of air service projects. The Aerospace Bank will attract investments in these projects.

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According to Dolgov, the RAC charter capital will total $5 to $8 billion. The companies incorporated in it will transfer or lease to it their aerospace projects, technology, factories and facilities.

Military, Nuclear & Space Issues

Grachev Lauds Returning Soldiers

MM0809101594 Moscow KRASNAYA ZVEZDA in Russian 8 Sep 94 p 1

[Unattributed report: "Redeployment of Western Group of Forces Has Enriched Us with an Experience which Must Never Be Forgotten"]

[Text] The withdrawal of our largest grouping of forces stationed outside Russia in the very heart of Europe is now complete and as each day passes this event will recede ever further into history.

An era has ended, as many analysts have rightly observed, and the Armed Forces are confronted full square by different but equally large-scale, difficult tasks. But as we go about our daily work we must not forget the experience gained in the process of the redeployment of the troops or the political, economic, social, and moral lessons of that era, one unprecedented in peacetime. That point was convincingly made by the Russian Federation defense minister in a speech to soldiers and veterans of the Western Group of Forces [WGF] at a ceremonial evening at the Central Academic Theater of the Russian Army.

For almost 50 years the Soviet and Russian troops belonging to the WGF have reliably protected our national interests and ensured stability in Europe, Army General Pavel Grachev stressed. Throughout that period they were a logical component of European security and helped to strengthen the new sociopolitical atmosphere—an atmosphere of equal partnership and cooperation among states.

The withdrawal of the troops is undoubtedly not only a political and military action of unique scale and significance, the like of which no state has ever experienced. But first and foremost this is a reflection of the realities of life and the positive changes which have taken place in the world in recent years.

No matter how some political forces may try to interpret the fact of the troop withdrawal and give it a negative assessment, the truth is that the withdrawal of the troops was predetermined by the whole course of history and common sense logic.

Undoubtedly we are now experiencing an historic moment which gives us all—both military and civilians—grounds for pondering in earnest once more the lessons of history, war and peace, the fate of people and whole generations, and the present and future of the victorious people and their Armed Forces.

Our troops have accomplished their mission. And they did so with dignity and in accordance with the highest concept of military and political duty without besmirching their combat banners, seared by the most bloody war which was unprecedented in its scale, brutality, and toll of human casualties.

We bow our heads before the great deed of the Soviet and Russian soldier, who, at the price of superhuman efforts, unparalleled courage, and self-sacrifice routed fascism, liberated half of Europe, and essentially saved world civilization. It is they, the soldiers of the Great Patriotic War, who are worthy of eternal glory, our dear veterans who brought World War II to a victorious conclusion. With the withdrawal of the troops Russian soldiers have also closed the annals of the events connected with the consequences of that war. They have done their duty honorably and left, their heads held proudly high and with a sense of their own dignity. They have gone as victors!

Russia has completed the withdrawal of the troops precisely in accordance with the international agreements. But it was also unquestionably at the cost of enormous organizational, technical, and indeed simple human efforts by the entire personnel and white and blue collar staff. This was made possible, the minister stressed in particular, by the dependability, reliability, and, it may be said, the strength of the Russian military man, be he a private or a general.

The main point now is to provide people with the decent and civilized life which is theirs by right. We call for the utmost effort, Pavel Grachev said, to ensure that the considerable difficulties involved in deploying and equipping the troops withdrawn from Germany and the Baltic region are overcome as quickly as possible. Yesterday a television reporter asked me why the departure from the Germany was completed with such ceremony whereas the recent withdrawal of the troops from Latvia and Estonia went almost unnoticed. I answered: These events cannot and must not be compared either in political, historic, moral, or purely human terms. The victory over fascism was one thing, the withdrawal of the troops from the former Soviet republics which have now become sovereign states was entirely different.

But these circumstances do not in any way diminish the efforts of the servicemen of the Northwestern Group.

We must all think about our native home today. The military are more interested in civil peace and social stability than anyone. They understand particularly clearly that unity and accord are necessary not just for the prosperity of the state but also for the successful development of the military cause.

We can only rejoice at the fact that combat-capable, truly elite military units and formations —the pride of the Russian Armed Forces—have returned to Russia's boundless expanses. When creating the new image of the Army, the Defense Ministry leadership gives priority to

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improving the system of control and the organizational-staff structure of the troops, increasing their mobility and the provision of modern arms and equipment, and comprehensively ensuring the vital activity of the troops and forces. In this difficult work it counts on the experience, good organization, and military skill of those who have returned to their native land.

The events in the capital connected with the return of the last unit from the WGF reminded many people of the distant days of May 1945 when all Moscow turned out to greet the front line soldiers. When greeting the Russian troops Muscovites also celebrated City Day, which is so dear to every Russian's heart. Since time immemorial Moscow has symbolized the country's greatness and its invincibility, a city which never submitted to the fascist hordes. And the fact that Russian soldiers, the heirs to the front line soldiers, have returned on City Day almost 50 years later is a kind of banner, a symbol. They have returned under Moscow's coat of arms and thus, figuratively speaking, under the protection of St. Georgiy Pobedonosets, who personifies fidelity to the sacred ideals of good and justice, freedom and the independence of the fatherland, and the indefatigable spirit and military glory of the Russian army and Russian arms.

Let no one ever be encouraged to encroach upon our fatherland, the Russian defense minister concluded. We know from history what happens to those who come here with sword in hand. We will never be first to raise our sword. True, we do have one unsheathed Russian sword outside Russia. It is in the hands of a Russian soldier. The hero soldier known to the whole world who stands in Treptow Park with a German girl he has rescued. May he always remind the living of the past. May he prompt us all to think about the future.

...The withdrawal of the troops is complete. The task ahead is to equip them in their new deployment locations, to organize normal daily life and military training, and to ensure the level of combat readiness which the present difficult times demand. KRASNAYA ZVEZDA will provide constant coverage of how that task, as varied and strenuous as the redeployment itself, is resolved. Because in this case, too, we are dealing with an experience which is without precedent and which is invaluable to the Armed Forces.

Growth Predicted for Arms Exports in 1994

MM0709125594 Moscow PRAVDA in Russian 6 Sep 94 p 2

[Report from the PRAVDA, ITAR-TASS, POSTFACTUM column: "Last Chance for Russian Weapons"]

[Text] Russian arms exports, which amounted to $2.1 billion last year, are expected to grow by 40 percent this year, S. Belousov, deputy general director of the "Rosvooruzheniye" Company, stated an a POSTFACTUM interview. Russian arms exporters claim that Russia now shares third or fourth place with France when it comes to the arms trade and sales of military hardware—but Western competition in this area is growing.

Nuclear Treatment Plant Planned for Far East

LD0809103094 Moscow Radio Rossii Network in Russian 0900 GMT 8 Sep 94

[Text] The construction of a nuclear waste processing enterprise should be started in the Far East in 1995. This was reported by Russia's Atomic Energy Minister Viktor Mikhaylov in an interview with the RIA agency. He believes that the enterprise should be built by Russian organizations, while the Maritime authorities would like to use the services of Japanese firms. In the minister's opinion, the country's own organizations will be able to do the work at less cost and no worse than Japanese ones.

The minister recalled that Russia has still not received any of the funds Tokyo promised two years ago to help with nuclear disarmament. He added that the Japanese tanker, given this year to store Russian nuclear waste, turned out to be unfit for such purposes.

Government Decree on Baykonur Space Center

MM0809080594 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 4

[Russian Federation Government Decree No. 996, signed by Premier V. Chernomyrdin and dated 29 August 1994: "On Measures To Ensure Fulfillment of the 28 March 1994 Agreement Between the Russian Federation and the Republic of Kazakhstan on the Basic Principles and Conditions Governing the Use of the 'Baykonur' Space Center"]

[Text] The Russian Federation Government decrees that:

1. The Russian Federation Defense Ministry and the Russian Space Agency, in conjunction with interested ministries and departments and in accordance with Article 6 of the 28 March 1994 Agreement between the Russian Federation and the Republic of Kazakhstan on the Basic Principles and Conditions Governing the Use of the "Baykonur" Space Center, shall submit a draft agreement on the leasing of the "Baykonur" complex to the Russian Federation Government within one month.

2. The Russian Federation Defense Ministry shall within one month implement measures in conjunction with the Kazakhstani side to transfer facilities at the "Baykonur" Space Center used to implement the Russian Federal Space Program, in accordance with the appendix, to the use and possession of the Russian Space Agency.

The transfer of facilities at the "Baykonur" Space Center to the use and possession of the Russian Space Agency shall take place under acts ratified by the Russian Federation Defense Ministry and the general director of the Russian Space Agency, as well as by the leaders of Republic of Kazakhstan ministries and departments in conjunction with the Kazakhstani side.

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3. The Russian Federation Finance Ministry shall allocate $115 million in 1994 to pay for the leasing of the "Baykonur" complex and also for the upkeep of the "Baykonur" complex in the amounts envisaged by the federal budget for 1994, including:

—the sum of 191.2 billion rubles [R] to the Russian Federation Defense Ministry for the Military Space Forces;

—R179.2 billion to the Russian Space Agency, including R53.8 billion for operational expenditure, R17.6 billion for the purchase of series-produced space equipment, R15.8 billion for capital construction, and R91 billion for the upkeep of the city of Leninsk.

4. The Russian Federation Defense Ministry shall continue under the established system and on a contract basis to supply facilities at the "Baykonur" Space Center with electricity, water, heat, rocket fuel, fuels and lubricants, and other materials, shall organize rail shipments of workers and freight within the space center precincts, and shall provide aviation services at the "Krayniy" airfield (landing clearance, servicing, refueling, security, and dispatch of air transport enterprises' assets), metrological, meteorological, medical, and other services.

5. The Russian Federation Defense Ministry shall be authorized to recruit civilian specialists to be paid under the procedure laid down by Russian Federation legislation in order to operate power, heat, and water supply systems, as well as sewage and communications systems at general space center installations.

6. Russian Federation enterprises and organizations shall be authorized to use the funds allocated to them to ensure the upkeep, operation, capital construction, modernization, overhaul, and day-to-day repair of facilities at the "Baykonur" Space Center and to accept citizens from the CIS states for jobs ensuring the running of these facilities.

Reports on the utilization of the aforesaid assets shall be delivered under the procedure laid down for facilities included on the balance sheets of these enterprises and organizations on Russian Federation territory.

7. The Russian Federation Ministry of Education shall:

—ensure the organization of the education of schoolchildren at educational establishments in the city of Leninsk under Russian Federation plans and programs;

—coordinate with the Republic of Kazakhstan Ministry of Education the questions of the education of Kazakhs under national programs, and of the recognition on Republic of Kazakhstan territory of the educational documents issued in educational establishments in the city of Leninsk.

8. The Russian Federation State Committee for Higher Education shall examine the question of the possibility of training the specialists required by the "Baykonur" Space Center at a branch of the Moscow Aviation Institute, altering training programs if necessary.

9. The Russian Federation Foreign Ministry, the Russian Space Agency, the Russian Federation Defense Ministry, the Russian Federation Ministry of Internal Affairs, the Russian Federation Federal Counterintelligence Service, the Russian Federation Ministry of Justice, and the Russian Federation Ministry of Social Protection of the Population shall elaborate within three months in conjunction with the Kazakhstani side the possibility of creating in the city of Leninsk a closed administrative-territorial formation in line with the Russian Federation law "On Closed Administrative-Territorial Formations" and shall draw up within one month proposals on the candidate to be appointed head of the Leninsk City Administration.

10. The Russian Federation Defense Ministry in conjunction with the Russian Space Agency and by agreement with the Kazakhstani side shall set up a coordinating organ at the "Baykonur" Space Center headed by the chief of the space center, and shall submit the relevant proposals to the Russian Federation Government within two months.

11. With a view to organizing the work to operate ground-based space infrastructure facilities, the Russian Space Agency shall set up a corresponding organ of 75 people under the agency. This organ shall be funded from monies earned for work and services performed.

12. The Russian Space Agency and the Russian Federation Defense Ministry in conjunction with the Russian Federation Ministry of Fuel and Energy, the Russian Federation Ministry of Railways, the Russian Federation Ministry of Transport, the Russian Federation Ministry of Communications, the Russian Federation Ministry of Education, the Russian Federation Ministry of Culture, the Russian Federation Committee for Water Resources, and other interested ministries and departments shall prepare and submit to the Russian Federation Government by 15 November 1994 proposals on the organization starting in 1995 of funding, material and technical support for, and the operation by these ministries and departments of the general space center facilities at the "Baykonur" complex, fully resolving the aforesaid tasks as of 1997.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government
[Dated] Moscow, 29 August 1994
No. 996

Note: The list of facilities at the "Baykonur" Space Center and in the city of Leninsk transferred by the Russian Defense Ministry into the use and possession of the Russian Space Agency is not being published.

Cosmonauts Prepare for 9 Sep Space Walk

LD0809121094 Moscow ITAR-TASS in English 1054 GMT 8 Sep 94

[By ITAR-TASS correspondents Veronika Romanenkova and Viktor Gritsenko]

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[Text] Moscow September 8 TASS—Two cosmonauts Yuriy Malenchenko and Talgat Musabayev will work for 3 hours, 40 minutes outside the Mir space station on Friday, September 9. They will start their walk-out at 10:40, Moscow time [0640 GMT], to inspect and repair the outside surface of the Mir station and to install new equipment.

The cosmonauts will remove old and install new equipment with samples of materials, the "behaviour" of which in 0-gravity condition is now under study. Another set of Swiss equipment will be put up to measure radiation of high-energy particles.

Besides, the cosmonauts will prepare a place to install the basis of a jib helping to shift various cargoes.

The second aim of the walk is to repair the station's outside surface. Flight engineer Musabayev is "to patch up" screen-vacuum thermal insulation on the transfer compartment, which was damaged last January when the Soyuz TM-17 spaceship with Vasiliy Tsibliyev and Aleksandr Serebrov aboard, on their way to the earth, "kissed farewell" to the Mir station.

The cosmonauts will also inspect the area of the docking unit which was touched by the Progress M-24 ferry during the two unsuccessful attemps to dock.

If specialists on earth decide that repairs are necessary, the cosmonauts will do them during their next walk-out. It is scheduled for September 13 at 10:15 [0615 GMT].

The crew of the main mission—Commander Malenchenko, Flight Engineer Musabayev and Doctor Valeriy Polyakov—will work in orbit till the end of October. They will work the last 30 days with Aleksandr Viktorenko, Yelena Kondakova and representative of the European Space Agency Olof Merbold.

Then, Malenchenko, Musabayev and Merbold will return to earth, while Viktorenko and Kondakova will continue their mission for another 157 days. Doctor Polyakov, working in space since January, is to set a new record of human stay in space—429 days.

Regional Affairs

Moscow Split, Undecided on Chechnya Policy

MK0809102094 Moscow KOMMERSANT-DAILY in Russian 8 Sep 94 p 3

[Report by Dmitriy Kamyshev in the "Situation in Chechnya" column: "Explosions in Chechnya Could Arouse a Political Storm in Moscow"]

[Text] Failures on the battlefield are prompting Chechen opposition leaders toward a closer coordination of their actions. The first to decide to work out a joint strategy of struggle were Umar Avturkhanov, head of the Provisional Council, and Ruslan Khasbulatov, ex-speaker of the Russian Supreme Soviet, whose representatives yesterday arrived at the council headquarters in the village of Znamenskoye. There is a weaker trend toward unity in Moscow, where the Chechen issue is likely to become cause for a new spiral of political struggle.

According to information in KOMMERSANT-DAILY's possession, everything connected with the situation in Chechnya in the upper echelons of Russian power is shrouded in deep secrecy, while conferences to discuss the crisis are held without tape or shorthand records being made. Judging from public statements by a number of high-ranking politicians, however, the conclusion can be made that the country's leadership, including the president's closest associates, has no uniform opinion about possible ways of normalizing the situation in Chechnya.

Particularly graphic evidence of this are the mutually exclusive comments by presidential chief of staff Sergey Filatov and Federation Council Speaker Vladimir Shumeyko: While the former supported the opposition Provisional Council, describing it as a healthy force, the latter expressed regret over the fact that Boris Yeltsin in his time did not enter into negotiations with Dzhokhar Dudayev, deeming impossible any interference by Russia in Chechen affairs. Meanwhile a representative of the other parliament chamber, Viktor Ilyukhin, State Duma Security Committee chairman, yesterday made a far sharper statement, calling for any—including forcible—measures to be taken to bring order to Chechnya.

Observers believe that in the event of further aggravation of the situation in Chechnya, the deputies, at the very first session after recess, will try to take over management of the Chechen crisis, stressing with it the president's and government's inability to perform their duties. And whereas for Moscow this could turn out "merely" into yet another political crisis, for Chechnya it is fraught with a new round of violence. If the Kremlin and the White House still hope to avoid the deputies' fall attack, they have just one way of doing it: Immediately to begin an offensive—military or diplomatic—in the direction of Chechnya.

Yeltsin Urged To Invite Dudayev for Talks

LD0709185094 Moscow INTERFAX in English 1540 GMT 7 Sep 94

[Text] The leaders of the Democratic Russia and Russian Movement of Democratic Reforms movements, Lev Ponomarev, Galina Starovoytova, Gavriil Popov and Yevgeniy Shaposhnikov urged Russian President Boris Yeltsin to invite Chechen President Dzhokhar Dudayev for talks in Moscow.

"We are concerned over developments in Chechnya and we urge you to make a radical political move which only the Russian president can make," the movements' leaders said in their appeal to Yeltsin which was made known in Moscow today.

The authors of the appeal said they are concerned over the actions of those forces which "encourage confrontation."

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They said there are no political goals which could justify bloodshed in the North Caucasus. They said that "the peoples of Russia and, primarily the Chechen people will be grateful to you (Yeltsin - IF) for a peace initiative."

Nationalities Minister Comments on Chechen Events

LD0709190994 Moscow ITAR-TASS in English 1546 GMT 7 Sep 94

[By ITAR-TASS correspondent Igor Pshenichnikov]

[Text] Oslo September 7 TASS—"The situation in Chechnya is being aggravated as a result of mounting confrontation between the Dudayev regime and opposition forces. Unfortunately, this led to bloody consequences, which is further exacerbating the situation in the northern Caucasus on the whole", Russian Minister for Nationalities Nikolay Yegorov said in an exclusive interview with TASS, commenting on the latest developments in Russia's breakaway Chechen region.

Yegorov participated in the 10th session of the European conference of regional planning ministers within the Council of Europe's framework, which was held in Oslo.

The Russian minister laid a special emphasis on the fact that "this confrontation involves only Chechen forces, only Chechen leaders and only Chechen armed formations". Central authorities have nothing to do with the conflict. "Neither Russia's Armed Forces nor interior troops are involved in what is now going on in Chechnya", Yegorov stressed.

At the same time, he ruled out the possibility of sending Russian troops to settle the Chechen conflict. "I believe sober-minded forces will materialize in Chechnya and put an end to the current regime", Yegorov suggested.

The Russian minister noted that some reports put the figure of those killed in the latest armed clashes in the troubled republic at about one hundred people. He labelled the use by Dudayev of heavy weapons against his own people as "barbarous and inhuman".

Commenting on the Chechen president's latest assertion that his policy was aimed at building an independent Chechen state, for which he would not stop at confrontation with Russia, Yegorov described these words as "another populist declaration with a view to draw political dividends". "Chechnya has been and will remain a subject of the Russian Federation", the minister said. "We know the sentiments of Chechen residents who would like to remain within the family of Russia's peoples", he added.

"The current Chechen leadership has ruined the economy, reducing the bulk of the people to extreme poverty", the Russian minister went on to say. "The only alternative for Chechnya is to overcome these difficulties together with Russia. Nobody in the world is interested in Chechen problems. For as of today, not a single country, including Muslim states, has recognized Chechnya's independence", Yegorov pointed out.

Pain Predicts Dudayev Will Fail

LD0709170594 Moscow INTERFAX in English 1321 GMT 7 Sep 94

[Text] Member of Russia's Presidential Council Emil Pain is convinced that Dzhokhar Dudayev will fail to establish control over the Nadterechnyy and other opposition-controlled regions of Chechnya. He told Interfax on Wednesday that Dudayev might possibly seize a couple of villages.

"However, he will not manage to subordinate the whole of Chechnya," he went on to say. "His victory over a small grouping led by Ruslan Labazanov, which does not enjoy any meaningful social support, does not mean anything," he added.

To quote Pain, the zone of Dudayev's influence has narrowed to the small area populated by his native clan - Groznyy and the adjacent regions. Whereas at the end of 1991 the imposition of the state of emergency brought dozens of thousands of people from near and distant villages into the streets of Groznyy, to demonstrate their support for Dudayev, garnered any real support, he said.

"The general mobilization campaign, announced by Dudayev, also failed, and his assertions that he was backed by the Caucasian peoples and by the Muslim world, were a lie, too," he said.

The main force Dudayev relies on is several hundred men of the Abkhazian battalion and security regiment, he continued. Now he has to hire mercenaries, but financial problems do not allow him to increase their number, he said.

He believes that "the leaders who have deprived the population of the most essential things cannot stay in power for long merely engaging in independence rhetoric and issuing threats to Russia.

The idea of independence is losing its meaning in Chechnya. Well-being and nostalgia for stability are far more important today," he said.

He pointed out that considerable support given to former speaker of the Russian parliament Ruslan Khasbulatov is a sign of cardinal changes in the Chechen people's mentality.

The Chechen people, without any pressure, must be given an opportunity to make their choice and, through free and democratic elections, to determine the best form of government: presidential, parliamentary, traditional (the council of ethnic clans) or mixed.

"All the talk about a new Caucasian war is a bluff," said Pain. References to the 19th centuries are absolutely out of place. The North Caucasus has undergone enormous changes. Most of its population lives in the valleys in

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state entities of their own, and have property which they zealously protect. They do not want to have trouble because of the Chechen leader's adventurist ways.

State Duma Official Urges Forceful Measures

LD0709170294 Moscow INTERFAX in English 1321 GMT 7 Sep 94

[Text] Russia must take every measure, including force, to restore peace and order in Chechnya, Chairman of the State Duma's Security Committee Viktor Ilyukhin (Communist faction) told Interfax on Wednesday. "The events in Chechnya discredit Russian diplomacy and its nationalities policies," he said.

He also said he was appalled by the conduct of the federal authorities.

It is shameful to claim to be on the sidelines and observe neutrality at a time when civil war is raging in Chechnya and when its people are engaged in self-annihilation, said Ilyukhin.

He believes that in the current situation the Russian Security Council must be convened and a Federal Assembly session held to discuss the events in Chechnya.

Chechen Opposition Recruitment Efforts

LD0809104694 Moscow ITAR-TASS in English 1002 GMT 8 Sep 94

[By ITAR-TASS correspondent]

[Text] Moscow September 8 TASS— The Chechen opposition is continuing to recruit volunteers to support its bid to topple President Dzhokhar Dudayev by force. On Wednesday, opposition soldiers practiced shooting from various types of weapons near their stronghold of Znamenskoye, a source in the main opposition organization, which calls itself the Provisional Council, told TASS today.

Meanwhile, another opposition group is concentrated around the village of Tolstoy-Yurt, the headquarters of former Russian Speaker Ruslan Khasbulatov, a Chechen himself. Warlord Ruslan Labazanov and his men are also now based in Tolstoy-Yurt, seeking revenge after suffering heavy losses and being ousted on Monday from the town of Argun by Dudayev's troops.

The third opposition grouping, led by Groznyy's ex-Mayor Bislan Gantimirov, is camping in the village of Urus-Martan. An anti- Dudayev rally is scheduled for today there, the source said.

Opposition Reports Chechnya Tension Persists

MM0709160094 Moscow SOVETSKAYA ROSSIYA in Russian 8 Sep 94 p 1

[Report by Zhanna Kasyanenko citing telephone comments by Zayndi Choltayev, head of administration of the Provisional Council of Chechnya, in Znamenskoye: "Situation in Chechnya: Tension Persists"]

[Text] Zayndi Choltayev, head of administration of the Provisional Council, has reported by telephone from the opposition headquarters in the settlement of Znamenskoye that a complex situation still prevails in the Chechen Republic today. According to figures available at the headquarters, the number of civilian casualties in Arguni totaled about 100. The opposition puts the responsibility for this on Dudayev, whose aviation bombarded residential districts of the city with large-caliber machine guns. The opposition detachments' withdrawal was due to fears for the lives of the civilian population. At present part of the city is under army control, but some districts remain in the hands of opposition forces.

Contrary to Russian press reports, Zayndi Choltayev stressed, Ruslan Labazanov is in the republic, in the settlement of Tolstoy-Yurt, where a peacemaking group headed by Ruslan Khasbulatov is located. Combat equipment and manpower of Dudayev's army is concentrated in the approaches to the settlement, and also along the border of Nadterechnyy Rayon. According to the opposition's information, the presidential structures have put huge sums of hard currency into the civil war, including money from foreign accounts, in order to attract mercenaries from the Baltic region, western Georgia, and other regions.

At present Nadterechnyy, Shalinskiy, and Urus-Martanovskiy Rayons and a significant proportion of settlements in Groznenskiy Rayon are under the opposition forces' control. A continuous rally involving many thousands of people is now in its seventh day in Urus-Martan; the participants roundly condemn the Dudayev regime.

Khasbulatov Envoys Arrive at Opposition Stronghold

LD0709165794 Moscow INTERFAX in English 1321 GMT 7 Sep 94

[Text] Representatives of Ruslan Khasbulatov, former Speaker of the Russian parliament, arrived at the Chechen opposition's stronghold of Znamenskoye where the opposition Provisional Council, led by Umar Avturkhanov, is located. The mission is aimed at working out a strategy of concerted action by opposition forces, one opposition member told Interfax on condition of anonymity.

He spoke of general calm in the 10,000-strong town of Tolstoy-Yurt 15 kilometers north of Groznyy where Khasbulatov was now staying with his uncle.

Although military sources in Groznyy reported on Tuesday that the town was sealed off by government troops, the source said there was nothing apart from sporadic automatic gunfire at night.

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Local residents and Khasbulatov's supporters arriving from different parts of Chechnya are preparing to rebuff any possible attack by troops loyal to President Dzhokhar Dudayev.

Preliminary counts say that about 10 government soldiers were killed in the last two weeks of violent clashes between government troops and opposition forces, Chief of Staff of the Chechen Armed Forces Aslan Maskhadov told Interfax on Wednesday.

However, opposition sources deny this, saying 100 government troops were killed during recent fighting close to Urus-Martan and Dolinskiy settlements and in the town of Argun.

The Interim Council in an interview with Interfax put rebel casualties at 14 dead and as many wounded.

Russian TV on Current Situation in Chechnya

LD0709214594 Moscow Russian Television Network in Russian at 1625 GMT

[Editorial report] Moscow Russian Television Network in Russian at 1625 GMT on 7 September carries a 10-minute "Details" program, hosted by Nikolay Svanidze, which deals with the Chechnya situation. Svanidze first evaluates the situation there after the defeat of Labazanov's opposition forces. He raises the question whether Moscow was right to bet on the opposition. "Until recently, the top echelon of the Russian government was confident that our people, i.e. forces opposed to Dudayev, are physically stronger. Ruslan Khasbulatov was also referred to as one of our people," Svanidze says. However, Dudayev's position has proved to be sufficiently strong to defeat the opposition this time.

A fragment of an interview with Deputy Prime Minister Sergey Shakhray is then shown. Shakhray says: "Among the prominent armed formations, one should mention the following: the Provisional Council's formation, which includes Gantemirov's formation; the formation under Labazanov's command; and Dudayev's forces."

Asked by Svanidze about the balance between these forces, Shakhray replies: "I think the balance is one to three: one for Dudayev and three for the joint opposition."

Svanidze then shows a video of Dudayev at the birthday party for a famous Chechen dancer, among trusted friends and with the president of Kalmykia, Kirsan Ilumzhinov, sitting next to him. Svanidze says Dudayev and Ilumzhinov have known each other for a long time through their oil dealings. Svanidze believes that control over the rich oil revenues is one of the main factors in the present situation in Chechnya.

According to Svanidze, the Russian federal counterintelligence service believes that Dudayev is not going to expand on his success yet but will just cash on what he has achieved so far. This means encouraging mercenaries from the opposition groups to join his forces.

Speaking to Svanidze in an interview, Aleksandr Mikhailov, head of the public relations services of the federal counterintelligence service, says: "I should say straight away that unfortunately Chechnya came to be associated with a great variety of people of so-called Caucasian nationality living in Moscow, St. Petersburg, Rostov, and other cities. And very often in the ordinary people's minds all the events taking place in this small republic are associated with the above-mentioned people who live in Russia. Very often we hear of the Chechen mafia preparing some terrorist acts on the territory of Russia. I should say straight away that all such businesses oppose the war. And if we are to analyze the situation in the criminal world, we can say with confidence that in the present circumstances the interests of the so-called mafia and those of Dzhokhar Dudayev are totally at variance. The more stable the situation in Chechnya is, the better their business in Russia. Therfore, people engaged in business in Russia, even a criminal business, are interested in a stable situation in Chechnya."

Svanidze notes that the criminal world said "no" to the enemy. Mikhailov responds: "Yes, the criminal world said no, although we do not rule out the possibility of some terrorist or diversion groups penetrating into Russian territory—and not only Russian, by the way, but territories with a high density of Russian-speaking population—to carry out individual terrorist acts."

Svanidze concludes by saying that although Dudayev has a personal aircraft, permanently on stand-by to take the president and his family to a friendly Islamic country in case of emergency, he does not seem to be in need of it just yet.

Chechnya Views Alleged Caucasian Interference

LD0709113394 Moscow INTERFAX in English 1101 GMT 7 Sep 94

[Text] Fighters of the Confederation of Caucasian Nations (CCN) are taking part in the armed clashes on the territory of Chechnya on the side of the government troops, Interfax was told on Wednesday by member of the opposition Provisional Council, Bedrudi Dzhamalkhanov.

He said that fighters from Ingushetia, Daghestan, Abkhazia were seen among supporters of President Dudayev. The Provisional Council issued a statement accusing the Confederation of Caucasian Nations of interfering into the internal affairs of Chechnya.

Dzhamalkhanov also said that none of the armed supporters of the Chechen Provisional Council took the side of Dzhokhar Dudayev. He believes that any reports on the score by the official Groznyy are "insinuations".

Earlier the Chechen Interior Ministry made a statement saying that for one day about 300 people from the opposition fighters defected to Dzhokhar Dudayev's troops. Interior Minister Ayub Satuyev told Interfax that deserters leave the Nadterechnyy District where the opposition HQ is situated.

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Meanwhile, Interfax was told by a spokesman for the Russian Emergencies Ministry that yesterday there were no outflow of the population from Chechnya, as well as the inflow of the wounded to the neighboring areas of the Stavropol territory, North Ossetia and Daghestan.

Caucasus Group Denies Interference Charge

LD0709122494 Moscow ITAR-TASS World Service in Russian 1115 GMT 7 Sep 94

[ITAR-TASS correspondent Mikhail Shevtsov]

[Text] Moscow, 7 Sep (ITAR-TASS)—Khadzhi-Murat Ibragim Beyli, member of the Presidium of the Confederation of Peoples of the Caucasus [CPC], regards accusations by the Provisional Council of interference by the CPC in the internal affairs of Chechnya as unjustified.

"The Confederation of Peoples of the Caucasus has never interfered and will not interfere in the internal affairs of that republic unless Russia sends in its troops," he said in an interview for ITAR-TASS today. Without supporting either Dzhokhar Dudayev in person, or the opposition, but merely appealing to them to reach peace and accord, one of the leaders of the CPC believes that the future of Chechnya should be decided by its own people.

Rejecting the Provisional Council's statement alleging that mercenaries under the CPC flag are operating on Dudayev's side, Ibragim Beyli noted that after the war in Abkhazia the organization disbanded its armed structures. At the same time, he does not rule out the possibility that "some Chechens who fought in Abkhazia under the flag of the confederation could have sided with official Groznyy". However, the CPC issued no appeals or orders whatsoever on this score and, consequently, announced no mobilization of volunteers, said Ibragim Beyli.

Kalmykia Signs Oil Production Contract With U.S. Firm

MK0709113294 Moscow SEGODNYA in Russian 7 Sep 94 p 2

[Unattributed report in the "Provincial Chronicle" column]

[Text] Elista—Under a contract between Kalmykia and the oil company Basf Energy Co. (U.S.A.), signed by President Kirsan Ilyumzhinov and company owner George Basf, the volume of investments into the republic's economy will constitute $150 million. The contract provides for oil prospecting, production, and processing at one of the largest deposits while initial financing (25 percent) will be provided by the U.S. side. The rest of the funds will come in the shape of credits from foreign banks.

Chelyabinsk Privatization in Breach of Laws

MM0809092594 Moscow ROSSIYSKAYA GAZETA in Russian 6 Sep 94 First Edition p 3

[Report by Anatoliy Usoltsev: "Chiefs Consume 'Uralskiye Pelmeni' Restaurant: Concealed Nomenklatura Privatization Under Way in Chelyabinsk Oblast"]

[Text] Chelyabinsk—The Chelyabinsk Oblast Duma session was behind schedule: It was lunchtime, and the complicated agenda item on the results of the first stage of privatization had not been considered. Two deputies—Vladimir Golovlev and Aleksandr Kushnar—had voiced a dissenting opinion. The former, prior to his election to the Federal Assembly of Russia, had headed the Chelyabinsk Oblast Committee for the Management of State Property, in other words he was directly involved in the denationalization of property. The latter had himself participated in the privatization of an enterprise which had been ruled illegal by the oblast court of arbitration.

In an attempt to rescue standing orders, Oblast Duma Chairman Vyacheslav Skvortsov moved that the decree be adopted without discussion, although he had in front of him a submission by Oblast Prosecutor Gennadiy Likhachev concerning breaches of the law in the sphere of privatization. However, Skvortsov turned a deaf ear to the oblast prosecutor's objection and again proposed that a vote be taken in favor of the draft decree. The deputies obediently raised their hands.

Chelyabinsk Oblast ranks among the leaders in privatizing state enterprises. Take, for example, "small-scale privatization." More than 2,500 trading, public catering, and consumer services facilities—around 90 percent of the total—have become private in the oblast. Stores, catering establishments, and service workshops have been completely privatized in the cities of Zlatoust, Karabash, Kyshtym, Miass, Chebarkul, and Yuzhnouralsk and in Agapovskiy, Yetkulskiy, Kizilskiy, Krasnoarmeyskiy, and other rayons.

What, then, made the oblast prosecutor persist in his efforts to get the problem discussed at the Oblast Duma session? Gennadiy Likhachev explained that he did so because of the breaches of the law detected by the law enforcement agencies.

For example, the "Uralskiye Pelmeni" restaurant is to be found in downtown Chelyabinsk. It is situated in a busy spot, it is worth many millions. It is not an enterprise, but a tasty tidbit! This was understood not only by members of its labor collective, who wanted to make an early bid to purchase the leased establishment from the state, but also by outside "privatizers"—L. Zhmayeva, P. Novikov, I. Gimpel, Ye. Lapina, and A. Kushnar.

That selfsame Deputy Kushnar who was ready to do battle with the prosecutor at the aforementioned session of the oblast's representative organ. With the blessing of the Committee for the Management of State Property, which at the time was chaired by Vladimir Golovlev, another present-day State Duma deputy, the "Uralskiye Pelmeni" restaurant was bought at a concessionary price; moreover, the outside "privatizers'" stake was almost 100 times greater than that of the ordinary workers in the restaurant.

"Concealed nomenklatura privatization of the enterprise, sidestepping the legally prescribed procedure, is

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being effected in this situation. A certain circle of people is acquiring private ownership of property and an enterprise at a give-away price, exploiting the concessions granted the labor collective, which does substantial economic damage not only to the state but also to the local budget," according to the Prosecutor's Office submission to the Chelyabinsk Court of Arbitration. After examining the case the court ruled that the "seizure" of the restaurant was illegal.

The "Biryuza," "Sapfir," and "Almaz" jewelry stores in Chelyabinsk and the "Izumrud" jewelry store in Magnitogorsk are equally "tasty" morsels. They were to be auctioned off on commercial terms. However, here too the oblast Committee for the Management of State Property allowed them to be floated with concessionary terms on offer. And the stores have now been bought up at a low price; the lion's share of the property was acquired by a narrow circle of people—the directors and chief accountants of the enterprises.

In the oblast prosecutor's opinion, certain power structures, officials, and semicriminal elements have tried to acquire state property in circumvention of the law. While the oblast Committee for the Management of State Property, serving as the state controller, has often made unlawful decisions on privatization. In the recent past alone, the Prosecutor's Office has sent to the Court of Arbitration 39 complaints concerning the oblast, city, and rayon committees for the management of state property.

Take, for example, the registration of the "Mikom" Closed-Type Joint-Stock Concern. The Committee for the Management of State Property is forbidden by law from engaging in commercial activity or receiving income from the profit of corporate bodies established by them. Despite this, the oblast committee acted as founder of the "Mikom" Closed-Type Joint-Stock Company and put down an unfinished facility—the "Plodoovoshchi" municipal enterprise's fruit and vegetable depot No. 5—as its share of the incorporation capital. In effect a private firm has become the owner of a state facility worth many billions.

The local authorities seem to pay no heed to the complaints and submissions. The courts mostly find in favor of the actions brought, while the staff of the privatization organs assume an affronted air and refuse to recognize any violations whatsoever. Oblast Administration Head Vadim Solovyev has responded to the prosecutor's submission in his own idiosyncratic way—he has awarded a bonus to the group of leaders of the privatization organs. Oblast Duma Chairman Vyacheslav Skvortsov "sees no serious omissions" either.

It turns out that the privatization organs and the oblast leaders regard the law as an annoying encumbrance.

New Volga Road Crossing Constructed

MM0809102994 Moscow ROSSIYSKIYE VESTI in Russian 6 Sep 94 p 2

[Report by Yuriy Sorokin: "Unique Crossing Has Opened Across Volga"]

[Text] An unusual road whose foundation is the roof of the operating Cheboksary hydroelectric power station extends over 8km with its access roads, with 1,316 meters of it on the bridge-dam. Of this bridge 640 meters are directly on the roof of the engine room of the operating hydroelectric power station, above which vehicles can move in four lanes.

The new crossing, constructed mainly with Ministry of Transport funds, will ensure reliable motor transport communications for the left bank part of Chuvashia with its main territory and will strengthen economic relations.

The highway will also give Chuvashia an outlet onto the federal "Vyatka" road from Cheboksary to Yoshkar-Ola and Kirov to Syktyvkar. The population of the Mari Republic will receive similar advantages. Now the republic has a convenient outlet to freeways linking the region with the center of the country.

Regional Governors Oppose Reelection in 1996

LD0809135494 Moscow ITAR-TASS in English 1313 GMT 8 Sep 94

[By ITAR-TASS political analyst Tamara Zamyatina]

[Text] Moscow September 8 TASS—The governors of 40 Russian regions inspired by the idea of speaker of the Russian parliament's upper chamber Vladimir Shumeyko not to stage general elections in 1996, voiced opinion at their conference which was held in Yaroslavl last Tuesday that there is no need for their re-elections either.

As Shumeyko, they put forth impressive, at the first glance, arguments against holding elections of the heads of regions and territories in 1996. In the opinion of the governors, they had no opportunity to realise their potentialities in the conditions of sluggishly-going reforms.

The governors also claimed that funds to be spent for the election campaign will not yield good results.

This means that the administration heads of Russian regions predicted beforehand that their voters may turn irresponsible and will not go the polls or will not vote for the present heads of executive power but for those whom they will prefer. This is what evidently not to the liking of regional leaders. [sentence as received]

Their apprehensions are understandable. This period witnesses the most interesting, monetary, stage of privatisation when property will find its true owners.

Besides, the notion of power in the mentality of some governors originating from the elite of the former Soviet

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Communist Party Central Committee, such as head of the Oryol region Yegor Stroyev, is firmly linked with confidence that power belongs to them for the rest of their lives.

Shumeyko who put forth the initiative to extend the term of powers for the Russian parliament last spring, did not evidently suppose what favourable response his proposal would evoke: out of 87 Russian governors 78 were appointed by the president.

They feel that they wield power to put pressure on the centre and to remain in power.

However, while some regional leaders only spread feelers for putting off elections, head of the Tula region Nikolay Sevryugin launched full-scale struggle against "dissidents" who suggest re- elections of the heads of regional executive power, appointed by the president.

But there is nothing wrong in their actions, after all. Under the Constitution, the upper chamber of the Russian parliament is to consist of legitimate heads of legislative and executive power of the Russian Federation's members.

The upper chamber now consists, apart from "senators" elected by people, of "appointees", which is permissible in a transition period but, nevertheless, is not democratic in essence.

Head of the Russian president's office Sergey Filatov repeatedly raised the question in public of starting a campaign to re-elect the heads of executive power in regions.

However, according to Filatov, governors carried out "a reconnaissance" in the Kremlin: Who is behind the proposal—Filatov or the president? In any case, apart from head of the maritime territory Yevgeniy Nazdratenko, not a single regional leader dared to declare re-elections in his region or territory.

Not a single dare-devil cancelled them in public either: this will mean a loss of political dividends. Therefore, governors decided to hide behind a collective statement (as in good old times) which was made public in Yaroslavl on September 6: not to hold elections.

Some Russian politicians are ready to subordinate to their ambitions such notions, sacred to the international community, as observance of the Constitution and establishment of a civilised democratic state and elected authority. If we toe their line, "the transition period" in Russia will lead to the past rather than to the future.

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International Affairs

Ukraine 'Not Ready' To Join Nonproliferation Treaty

LD0709181494 Moscow ITAR-TASS in English 1455 GMT 7 Sep 94

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev September 7 TASS—"Ukraine needs civil reconciliation. This is one of the main preconditions for overcoming the crisis in the country," Vladimir Gorbulin, secretary of the National Security Council under the Ukrainian president, told a press conference here today. "The main thing is to give Ukraine a national idea, without which a truly independent state cannot be built," he added.

According to Gorbulin, Ukraine is not ready to join the nuclear weapons Non-Proliferation Treaty this year, because it will not be able to ship its nuclear weapons to Russia in the remaining months of 1994. He said that the brunt of the programme was being borne by Ukraine alone so far. The assistance promised by other states is insignificant if not practically at zero level.

"Nevertheless," Gorbulin stressed, "Ukraine will fulfill the earlier signed agreements," adding that he did not rule out new approaches to these or other problems. This refers, in particular, to the country's military doctrine and to the set of "Crimean problems". "Of course, Ukraine will approach the solution of these issues cautiously and wisely, persistently upholding its national interests. There will be no 'campaigns'," the secretary of the council noted.

Gorbulin, who worked for fifteen years in the "Yuzhnoye" designing bureau, where he developed new flying machines, believes that Ukraine needs very much to restore and perpetuate her partnership relations with Russia in the military-technological sphere and, primarily, in space technology. In his opinion, not a single Russian spaceship will be able to dock or even to take off without Ukrainian assistance. In turn, the operation of many Ukrainian enterprises is unthinkable without close cooperation with Russia. Therefore, Gorbulin went on record for the earliest possible signing of a comprehensive Ukrainian-Russian treaty. "It would be astonishing if we were to renounce close cooperation with Russia, even knowing that there are forces there which still regard Ukraine as a Soviet republic."

Udovenko Stresses Normalization of Ties With Russia

LD0709172194 Moscow ITAR-TASS in English 1218 GMT 7 Sep 94

[By ITAR-TASS special correspondent Lyudmila Aleksandrova]

[Text] Kiev September 7 TASS—"Normalisation of relations between Ukraine and Russia, especially economic contacts, should be task No. 1. What we have now, cannot be called relations. This is an abnormal situation," said recently-appointed acting Ukrainian Foreign Minister Gennadiy Udovenko in an interview with the Ukrainian NEZAVISIMOST newspaper on Wednesday.

The minister said that preparations for the visit by Russian President Boris Yeltsin to Ukraine to be held early in October are in progress even now. The draft of a large-scale treaty with Russia is being painstakingly drafted. Talks on the Black Sea Fleet are under way.

"However, this does not mean that we shall be again drawn into the orbit of Russian influence, and 'the big brother' will again guide us," Udovenko said. Normalisation of relations should be based on equality and partnership, he added.

In the opinion of the foreign minister, normalisation of relations between Ukraine and Russia "should take place not at the expense of other states".

Dwelling at length on relations with the United States, the minister noted that "the United States has considerably changed its attitude to Ukraine: Apart from recognising it, the U.S. faces it now squarely".

In the minister's opinion, "Kiev now is in the zone of special attention of the Washington Administration".

Udovenko is among a few career diplomats in Ukraine. He said that the problem of training personnel for the Ukrainian Foreign Office is acute. The posts of ambassadors to Moscow, Washington, the U.N. Headquarters in New York and Warsaw are vacant, he continued.

According to Udovenko, there are no candidates for these posts. Udovenko call as "groundless" rumours about the appointment of former Ukrainian Foreign Minister Anatoliy Zlenko as ambassador to Spain.

Kuchma Pro-Russian Moves Seen Harming Sovereignty

MM0709134794 Moscow KOMSOMOLSKAYA PRAVDA in Russian 7 Sep 94 p 1

["Political Forecast" by Olga Musafirova: "Is Kiev Threatened With a Second Marriage With Moscow?"]

[Text] An independent newspaper published in Donetsk in Ukrainian carried an obituary at the end of the issue. Or, to be more precise, a brief report framed in black. Readers were informed that the first 40 days of Leonid Kuchma's presidency had passed away....

I do not think that there is any need to explain the ideological content behind such elegant form. This is not the only occasion nor the first time that the new president and his entourage have been accused of covering up a misdemeanor that is lethal for state sovereignty. Namely pro-Russian declarations and also actions of a

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similar kind directed against their own people. National democrats—ranging from a group of writers led by Oleg Gonchar and Ivan Drach to leaders of most political parties, with the exception of socialists and communists—are asking Ukraine to be more cautious: Something mightier than the "common economic area" is coming. But what?

Talks continued 2 September in Kiev between the Ukrainian and Russian government delegations preparing a package of agreements for the Treaty "On Friendship, Cooperation, and Partnership Between Ukraine and the Russian Federation." (Its signing and Boris Yeltsin's visit to the Ukrainian capital in connection with this are planned for late-September or early-October). For the time being the sides have signed a protocol in which experts acknowledged that 14 documents of an economic nature had already to all intents and purposes been drawn up. Of which the most significant are those "On Cooperation Between Russia and Ukrainian Border Oblasts," "On the Basic Principles for the Creation of Financial-Industrial Groups" (it refers to the revival of contacts between defense complex enterprises and the creation of transnational companies—author's note), "On the Procedure for Mutual Shipments of Arms and Military Hardware, Subassemblies, and Spare Parts, Organizing Repairs, and Provision of Military Services," and "On Cooperation in the Development and Commissioning of Missile-Space and Missile Technology."

Even going solely on the names of the agreements, it is obvious that Ukraine has not had closer, what I would call interpenetrating, contacts with anyone in the past three years. There is also another significant element. The sides have, if not cast aside, then gotten around the traditional stumbling blocks in Russian-Ukrainian talks, namely the unresolved question of the USSR's foreign debt, the fate of the Black Sea Fleet, the status of Sevastopol, and payment for gas. This was described as "removing all political accretions." In effect, as of this July right before our eyes the draft treaty that had been put on ice began to be the number one job for diplomats on the initiative of the Ukrainian supreme authority. Specialists claim that in terms of scale it is unparalleled in the CIS. But others on this scale may yet appear.

A communique already exists based on the talks between the Russian and Ukrainian parliamentary delegations, noting the possibility of a future meeting of deputations from Russia, Ukraine, Belorussia [Belarus], and Kazakhstan. The aim being to study the forms and pace of integrationist processes. Rumors are also afoot of a draft treaty that parliamentarians allegedly intend to bring out, expressing the people's will, on a new state association with its own currency, unified leadership, and army....

Defense Ministry Condemns Grachev 'Interference'

LD0709190294 Moscow INTERFAX in English 1540 GMT 7 Sep 94

[Text] The Ukrainian Defense Ministry described as inadmissible Russian Defense Minister Pavel Grachev's attempts to interfere in its personnel policy.

It circulated a statement on Wednesday which says that its personnel policy will be based on servicemen's skills, patriotism and ability to defend Ukrainian security interests.

The statement says, however, that the Ukrainian Defense Ministry's new leaders are ready to establish constructive and comprehensive cooperation with Russian colleagues.

Earlier, Grachev told Interfax that he was worried by the fact that the key posts in the Ukrainian Defense Ministry were occupied by the people with an extremely negative and even nationalist attitude to Russia.

Moroz, PRC's Jiang Discuss Economic Cooperation

LD0709131594 Moscow ITAR-TASS in English 1251 GMT 7 Sep 94

[By ITAR-TASS correspondent Viktor Demidenko and UKRINFORM correspondent Aleksey Petrunya]

[Text] Kiev September 7 TASS—"The successful development of relations between Ukraine and China is not only in the interest of our peoples, but of the entire world community," Ukrainian Supreme Soviet Chairman Aleksandr Moroz said during a meeting with Chinese Chairman Jiang Zemin, who is on an official visit in Kiev. "Ties between the two countries, including political and economic, received a new impulse and have acquired new contents," he said. "However," Aleksandr Moroz emphasised, "possibilities of cooperation are far from fully used." The trade turnover, in particular, does not satisfy either of the sides. The speaker spoke in favour of enhancing intergovernmental contacts and interparliamentary ties.

China attaches great significance to the development of relations with a large European country like Ukraine, Jiang Zemin noted. New avenues of cooperation have been opened by establishing diplomatic relations between our countries in 1992, he emphasised. This concerns the sphere of economy, as well as interparliamentary contacts which are sufficiently active. A delegation of All-China Assembly of Peoples' Deputies came to Kiev, and a delegation of Ukrainian parliamentarians visited China. On behalf of the Chinese parliament Chairman Jiang Zemin invited Aleksandr Moroz to visit China at a suitable for him time. The invitation was received with gratitude.

During the talks, Aleksandr Moroz expressed the idea of building a Euro-Asian transcontinental highway which should follow the historical "silk route". According to Moroz, China can play a great role in this project. Jiang Zemin supported the idea, saying that the proposed project will need additional consultations and concordances.

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Moroz Reviews Results of Istanbul Visit

LD0709220494 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 7 Sep 94

[Text] One of the main problems to be solved by the member-states of the Black Sea States' Economic Union is their trade relations, primarily issues of bringing them to common standards and reorganizing the entire system of trade, especially the one connected with the use of transport. A single system of using transport is necessary. There is a vital need in this. And I was raising this issue at a conference in Istanbul, Ukraine's Supreme Council Chairman Oleksandr Moroz said.

As we already reported, he had been visiting Istanbul for two days, where he took part in the conference of mayors and governors of the capitals of the Black Sea countries.

Oleksandr Moroz said that at the conference they had also discussed issues of lowering military opposition in the Black Sea basin and decreasing, in principle, the military potential of the Black Sea countries.

The visa regime, which needs to be simplified, also remains an important issue. The parliaments of the Black Sea countries should make relevant steps and adopt relevant enforceable enactments to ensure normal contacts among citizens, enterprises, and organizations.

Moroz said that he, as the president of the Black Sea Economic Cooperation Assembly, appealed to the parliaments of all the countries of the region to make their proposals for the plan of the assembly's work.

An issue on Turkey's participation in solving the oil problem, which is facing Ukraine, was discussed in the course of the trip, Oleksandr Moroz said. In particular, they were discussing the construction of an oil pipeline from the Middle East to Ukraine via Turkey. This option is attractive to Turkey, primarily because it will allow to avoid oil transportation to our country by tankers through the Bosporus and the Dardanelles. This option is acceptable to Ukraine as well, since in this case Ukrainian technologies and pipes can be used, Moroz pointed out.

Delegation Head on Agreements With Uzbekistan

LD0709154294 Moscow ITAR-TASS World Service in Russian 1810 GMT 6 Sep 94

[By UKRINFORM correspondents Valentin Vernodubenko and Tatyana Chelysheva for TASS]

[Text] Tashkent, 6 Sep (ITAR-TASS)—The talks between state delegations from Ukraine and the Republic of Uzbekistan ended today in Tashkent with a meeting between Anatoliy Holubchenko, leader of the Ukrainian delegation, and Uzbek President Islam Karimov and Prime Minister Abdulhashim Mutalov. Before this meeting the presidents of the two countries had a telephone conversation.

"The talks were difficult," Anatoliy Holubchenko told the UKRINFORM correspondents. "Certain problems, vital for both Ukraine and Uzbekistan, were difficult to resolve. But after the conversation between the heads of state and our meeting with Islam Karimov—which, incidentally, lasted about 90 minutes—practically all questions were resolved."

Both the president of Uzbekistan and the republic's prime minister, Anatoliy Holubchenko noted, unambiguously view Ukraine as one of their main potential partners in the economy, in agriculture, and in ecology. In Tashkent, he stressed, we were able to resolve the main question: On a mechanism for mutual settlement of accounts. Apart from a banking agreement, today we signed an agreement on trade and economic cooperation in the fourth quarter of 1994, an agreement in the sphere of culture, and others.

Now we have to prepare for signing by the leaders of our countries a declaration on the main directions of economic cooperation, draft agreements for 1995 on trade and economic cooperation, on postal services, on rail and road transportation, on dual taxation, and also a list of material resources to be delivered.

The normalization of our economies, the head of the Ukrainian delegation continued, depends first and foremost on ourselves, on our positions. If we continue to go forward and make clear to ourselves how important market relations are, then we will go far. At the same time we have already signed 23 agreements with Uzbekistan, but more than half of them are not functioning, the Ukrainian delegation head noted. Anatoliy Holubchenko expressed confidence that now enterprises in the Uzbek capital will work effectively for the good of the peoples of both states.

Taking part in the Tashkent talks was Vladimir Smetanin, Ukraine's ambassador plenipotentiary to Uzbekistan.

Dates Set for Gas Payments to Turkmenistan

LD0709172594 Moscow ITAR-TASS in English 1323 GMT 7 Sep 94

[By BUSINESS-TASS]

[Text] Kiev September 7 TASS—Ukraine and Turkmenistan have agreed to a timetable for the payment of debts for gas supplies from the Central Asian republic. BUSINESS-TASS learned from confidential sources in the Ukrainian Cabinet of Ministers today that closed talks between leaders of the two states were held at the beginning of this month.

In compliance with the agreement, the Ukrainian corporation "Respublika" will ship 25 thousand tonnes of grain, 50 thousand tonnes of flour, 10 thousand tonnes of animal fats and 2 thousand tonnes of baby foods worth 664 million U.S. dollars to Turkmenistan in

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September-December. Besides this, the corporation will transfer about 217 million dollars to the creditor republic.

According to an official report, Ukraine's debt to Turkmenistan for gas deliveries in 1993-1994 amounted to 855 million dollars as of September 1. The agreement with Turkmenistan stipulated payment for gas against 579 million dollar in kind and 275 million dollars in cash.

National Affairs

Kuchma Issues Edict on Currency, Export Control

LD0709224794 Kiev UNIAR in Ukrainian 2130 GMT 7 Sep 94

[Text] Kiev, 7 Sep—Ukraine's President Leonid Kuchma has issued a edict on measures to ensure currency and export control. To step up this control, Ukraine's National Bank and Cabinet of Ministers have been instructed to amend relevant enforceable enactments dealing with the procedure of exercising control over the inflow of currency to Ukraine and the procedure of opening currency accounts. In fulfillment of item 2 of article 16 of decree No. 15 by Ukraine's Cabinet of Ministers of 19 February 1993 "On the System of Currency Regulation and Currency Control", the amount of penalty to be imposed on the residents for the supply of unreliable information about the declaration of currency values and other property outside Ukraine has been determined. The president's edict charges the Cabinet of Ministers with the task of drafting within two weeks an enforceable enactment, in cooperation with the National Bank, which will contain a list of trade and financial transactions qualified as export of capital.

Interior Ministry Says Mafia Threatens State

LD0709214894 Kiev Radio Ukraine World Service in Ukrainian 1800 GMT 7 Sep 94

[Text] We have received a statement by our state's Interior Ministry. In particular, it says that on 5 September this year an act of terrorism was committed against Militia Major Valeha, chief of the international crime department at the Chief Organized Crime Directorate under the Ukrainian Interior Ministry in Transcarpathia Oblast.

This base action, the statement emphasizes, is evidence of the fact that the organized underworld is insolently challenging the state and the people, and is proof of the correctness of the law enforcement bodies' resolution to get down to cleaning society. It points to the fact that we began to touch upon the interests of the authorities of organized crime, the mafia. Hence the attempts to intimidate employees of law enforcement bodies and to sow panic and fear among the population.

In response to this cynical challenge, we are taking measures of an adequate and limited nature to suppress and neutralize any terrorist attempts in the bud. The Ukrainian Interior Ministry statement says: We have enough opportunities, forces, and means for this.

Meshkov Assails Passage of Law on President

LD0709182494 Kiev UNIAN in Ukrainian 1615 GMT 7 Sep 94

[Text] Simferopol—Supreme Council of the Republic of Crimea deputies examined at their evening sitting on 7 September the law "On Changes and Amendments to the Law 'On the President of the Republic of Crimea'." After the deputies passed the law on its first reading, Yuriy Meshkov made a statement. He described the passage of the law as an anticonstitutional coup attempt. "I have been doing my best to protect Crimean citizens' legal rights. It is impermissible for the Supreme Council of Crimea to impose its vision of Crimea's constitutional structure on the whole of the people. This action is well thought-out and planned, albeit being carried out under the disguise of meaningless phraseology. It is the people that have to foil an attempt to provoke confrontation between the president and the Supreme Council. The result of your vote has stirred up a conflict between the the president and the Supreme Council and it is the people themselves that will pass the sentence and will keep either you, Crimea's Supreme Council, or me, the Republic of Crimea president, to lead them. What you decided will come to nothing. There will be no anticonstitutional coup. You will get neither the positions in the government that you lust after nor the privileges that you were not allowed when the 'Moscow government' was invited here."

Yuriy Meshkov added that some of the highest-ranking officials from the Russian Federation and Ukraine have personally suggested that the Supreme Council of Crimea Presidium should not change the republic's constitutional system. The president then left the chamber of parliament.

As a result of the vote, Crimean parliamentarians passed the law "On Changes and Amendments to the Law 'On the President of the Republic of Crimea'" in principle by 64 votes.

Serhiy Tsekov, Crimean Supreme Council chairman, denied that the Supreme Council of Crimea Presidium had heard any suggestions by the Russian Federation State Duma and president or the president of Ukraine, as mentioned by Yuriy Meshkov. Serhiy Tsekov went on to say that Crimea's president could within two weeks return the law approved by Crimea's parliament for additional consideration by the parliament. He also recalled that the introduction of the post of president in Crimea was, in particular, strongly opposed by the political organization of Crimea's Republican Party, adding that Yuriy Meshkov himself had thought the powers vested in the president of Crimea to be far in excess of those of his U.S. counterpart.

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Deputy Mykhaylo Bakharev, Supreme Council mass media standing committee chairman, claimed that the president was today backed by those deputies who had recently been invited to the president and offered posts as his representatives. What is going on, in Mykhaylo Bakharev's words, is that deputies are simply being bought by Yuriy Meshkov.

Viktor Mezhak, Crimean Supreme Council deputy chairman, said: "I do not understand why the president did not use his powers during February to May. He could then appoint his representatives when the Supreme Council was not there yet. Today, however, it is too late to do this. The only way out of this situation is elections of local authorities."

Volodymyr Karpov, first assistant to the president of Crimea, believes that "the 'Russia' group and the presidential team are one family who can end a squabble among themselves." Serhiy Nikulin, a parliamentary group leader, described Yevhen Saburov's government as "good for nothing and pathetic" and said that a government the people would trust should be formed to unite representatives of the peninsula's various political forces. Volodymyr Karpov agreed that Yevhen Saburov's government should be replaced.

It is expected that the republic's president, Yuriy Meshkov, will speak on Crimea television at 1815 tomorrow.

Rally Demands Crimea Government's Resignation

LD0709192294 Kiev UNIAN in Ukrainian 0830 GMT 7 Sep 94

[Text] Simferopol—A general Crimean rally organized by the Republican Party of Crimea and the Party for the Economic Revival of Crimea was held in the town's central square on 6 September. More than 2,000 people (according to other sources almost 5,000) from various towns and rayons of the peninsula took part in the rally.

The speakers demanded the resignation of the Crimean government. In the view of people's deputy Oleksandr Kruhlov, neither the president nor the speaker are implementing their pre-election promises. Volodymyr Shevyev, head of the Party of Economic Revival of Crimea, noted in his speech: "The government was searching for enemies in form of the Supreme Council instead of resolving the tasks bestowed upon it." Volodymyr Skvortsov, leader of the Party of Unity and Consent, who also made a speech at the rally said: "If this drunken revelry does not cease, then I will seize power by armed means."

The writer Eduard Limonov, leader of the National Bolshevik Party of Russia, also made a speech at the rally. He said he had held talks with Workers' Russia Movement ["Trudovaya Rossiya"] leader Viktor Anpilov and with Aleksandr Barkashov, leader of the Party of Russian National Unity, and if Crimea requires help to defend the "Russian city of Sevastopol" then they are prepared to "come and restore order." As Limonov clarified after the speech, help could only be rendered by armed means. He said that he had been invited to Crimea by the Sevastopol town council.

Supporters of President Yuriy Meshkov, led by Anatoliy Los, chairman of the Russian Society of Crimea, were also present at the rally. They demanded the lifting of the moratorium on the Crimean referendum and Crimea's unification with Russia.

At the end of the rally a resolution was adopted which expressed concern at the situation in Crimea and the fate of the republic's statehood. A decision was also adopted demanding the resignation of the government and calling on the Supreme Council to "defend the law."

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Belarus

Lukashenka Confined to Bed With Back Problem

LD0709165094 Moscow ITAR-TASS World Service in Russian 1525 GMT 7 Sep 94

[By BELINFORM-TASS]

[Text] Minsk, 7 Sep—Belarus President Alyaksandr Lukashenka "has been hospitalized for treatment" today, reported the BELINFORM agency, citing the directorate of sociopolitical information of the president's administration. According to the circulated information, Lukashenka has had an acute condition of "slipped disc radiculitis with a radicular syndrome" over a month-long period. The president was under medical observation, but due to a number of reasons that demanded his constant presence at his office the main instructions of the recommended regimen were not observed, stresses the directorate's report.

At present the state of the Belarus president's health is, on the whole, satisfactory. He has been allowed to work on condition of strictly keeping to his bed, notes the report of the directorate of sociopolitical information. Because he is in hospital the Belarus president could not meet today Basil Kavalsky, director of Country Department 4 of the European Bank for Reconstrucion and Development's European and Central Asian Regional Office. The trip of the head of state to the Brest Oblast, planned for the end of the week, has also been cancelled.

Presidential Aid on Anticrisis Program, Debts

WS0809084794 Minsk BELAPAN in English 1200 GMT 7 Sep 94

[Text] On September 6, Alyaksandr Feduta, chief of the board for public and political information at the President's Administration, held a news conference at the National Press Center. Given that the news conference had no concrete subject, Feduta was asked about various current issues.

On the anticrisis program:

Feduta confirmed the principle, which was declared by President Lukashenka, on possible participation of all parties concerned in working out extraordinary measures for overcoming the crisis. He informed journalists that scientists, representatives of business circles, and trade unions were working on the program. It is supposed that the program will be carried out within a year. Together with the program a number of amendments to the current legislation will be submitted for consideration at the fall session of the Supreme Soviet.

On the ultimatum of the Russian company "Gazprom":

According to Feduta, the Cabinet of Ministers is taking a number of measures to pay off the debts to "Gazprom". Within the next few days, a tough regime of gas economy will be established. Besides, the government is doing their utmost and uses market methods for keeping back the slump of the Belarusian ruble against the Russian ruble and U.S. dollar. The question of Belarus's debts for gas was on the agenda of a joint sitting of the Security Council and the Cabinet of Ministers. Feduta declared that the debts to "Gazprom" will be paid off. However, as for the demand for transferring the Belarusian gas pipelines to the possession of Russia, Feduta said: "The president's position about preserving state sovereignty is well-known. And if he were prone to meet the demand you are speaking about, he would have done this during the Moscow visit. The president stands for keeping the statehood of the Republic of Belarus, for keeping the National Bank under the authority of the Republic of Belarus".

On the mass media:

The draft law on the mass media, most likely, will not be discussed at the nearest session of the Supreme Soviet. According to Feduta, the president maintains that the draft law is imperfect and needs changing. Within the next two weeks (perhaps, soon after the session) specific proposals regarding the status of the present state periodicals will be submitted to the president. Consultations will be held before the session with representatives of their editorial staffs.

Asked when the "Belaruskaya Maladzezhnaya" [Belarusian Youth] station will finally resume broadcasting, Alyaksandr Feduta declared that this would happen upon the completion of the process of transforming the State Committee for Television and Radio Broadcasting into a National Broadcasting Company. The issue of giving the opposition's representatives an opportunity to appear on TV and radio will be resolved then.

Legislators Discuss Aid With World Bank Group

WS0809093894 Minsk Radio Minsk Network in Belarusian 0300 GMT 8 Sep 94

[Text] A meeting of Belarusian legislators and World Bank representatives has been held at the Belarusian Supreme Soviet. Deputy Supreme Soviet Chairman Bambiza told participants in the meeting about the economic and political situation in the Republic. Mr. (Basil Kawalski), World Bank Regional Director of the Fourth European Department, spoke about prospective directions for using World Bank credits to finance the Republic of Belarus. As of now, the bank's experts have completed their inspection of the following sectors of the economy: agriculture, power engineering, forestry, transportation, manpower resources, and the private sector. In general, under the World Bank's branch projects, Belarus could realistically receive yearly credit allocations worth around $600 million. The primary objective of the World Bank program in Belarus is to render assistance aimed at ensuring continuous development, which would lead to an improvement in the Belarusian people's living standards.

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Moldova

Lebed Insists Dniester Cannot Be Ignored

MM0709134194 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 1

[Interview with Lieutenant General A. Lebed, commander of the Russian 14th Army, by Lyudmila Feliksova; place and date not given: "Pain Has To Dull: General Lebed on the Situation in the Dniester Region"]

[Text] The 14th Russian Army and its commander, General Lebed, could not help being the focus of attention this summer. The 14th Army itself became all but the bone of contention in the explosive Dniester region.

I asked Lieutenant General Lebed, who has resumed his duties, what the situation was like now.

[Lebed] At present the situation is normal. Common sense has prevailed. The defense minister, to his credit, after studying the situation in depth and hearing my report—and not just mine, found it possible to revise his decision. Everything has come full circle in the army. The planned reorganization of the command structure and units is under way.

[Feliksova] For all the unusualness of that situation, could there be a recurrence?

[Lebed] That cannot be ruled out. But everyone tackles such problems as courageously as they can, relying on knowledge and common sense. There is no way to avoid a range of problems—military, political, economic, and technical.

[Feliksova] And how are things actually proceeding?

[Lebed] One example: As a result of the 10th round of talks on the withdrawal of the 14th Army an agreement has been signed that 65 percent of property goes to Russia and 35 percent to Moldavia [Moldova], while the Dniester region, on whose territory it is all located, is not part of the equation at all. It is an unrealistic situation: Let them come and try to take it. Moldavia could clearly only do that by fighting. Even if Moldavia does take it, it will get only broken pieces. The Dniester region delegation made a statement and walked out of the talks, thereby placing the fulfillment of all the agreements adopted in very great doubt. Everything had been divided up by the two states, the first of which, Russia, has a direct relationship with the army and the region while the second, Moldavia, has only an indirect relationship. There is no trace of either the Moldavian soldier or the Moldavian policeman here, that is to say that Moldavia's actual authority does not apply here. This is an undeniable fact. The Dniester region has its own laws, procedures, chiefs, and government. I do not understand how such factors can be discounted when signing an agreement. Whether the republic is recognized or not, it is perhaps time to cast pride aside, to remove the blinders, and to stop pretending that the problem does not exist. It does. There is a small strip of land where 750,000 people live and where the Dniester Republic is in the fifth year of its existence. If you want to resolve the problem, you must take all factors into account. Otherwise no timetables or agreements will be possible at all.

[Feliksova] You had your own, special viewpoint regarding the army's withdrawal. Has it changed?

[Lebed] What is to be done if two parts of a once-united state fight among themselves and suffer losses in common of approximately 3,000 killed and around 10,000 wounded? You cannot expect them to fall into each other's embrace tomorrow and live as they used to. Time has to pass for the pain to dull, the graves to become overgrown, and widows to find consolation. Until that time has elapsed, attempts to resolve the problem at a stroke will fail.

At the same time, a military-political balance has come about, albeit spontaneously. The 14th Army is part of it. Removing even one link in the chain would mean upsetting that balance and lead to unpredictable consequences for the region. I therefore talk about reorganizing the army rather than withdrawing it.

[Feliksova] Madeleine Albright, U.S. ambassador to the United Nations, recently visited Kishinev [Chisinau] and stated that securing the 14th Army's withdrawal was the main aim of her visit.

[Lebed] Mrs. Albright stated neither more nor less, I quote: "The withdrawal of the Russian 14th Army from the banks of the Dniester is a major problem for the United States." For me that is further proof of how people are flagrantly and unceremoniously wiping their feet on us and of how low we have fallen. Ages ago, courtesy of Gorbachev, we stopped respecting ourselves. We have forgotten who we are and what our history is. But I am categorically opposed to any lady from over there, whatever post she might hold, deciding things for the state of Russia. No one is entitled to dictate to Russia. This statement—the result of separate talks with Moldavia—and the commotion over plutonium, the aim of which is to demonstrate to the whole world that Russia is incapable of controlling its nuclear weapons, are links in a single chain. Attempts are being made to turn us into a territory which has three functions allotted to it: the supply of cheap raw materials, a bargain-basement work force, and a dump for the world's waste products. I expect an appropriate response on the part of the Russian Foreign Ministry.

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Kyrgyzstan

Akayev Tours Dzhungar, Sultamyr Rayons

LD0809102294 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 2300 GMT 7 Sep 94

[Text] Kyrgyz Republic President Askar Akayev is touring the Dzhungar and Sultamyr rayons. The aim of his trip is to familiarize himself with the social and economic conditions of the people of these rayons. During his tour the president will also attend the opening ceremony of a local school. [passage indistinct]

Akayev Opposes Emergency Session of Parliament

LD0709195994 Moscow INTERFAX in English 1741 GMT 7 Sep 94

[Text] Kyrgyz President Askar Akayev did not approve of the decision of the parliament's leaders to hold an emergency session on September 13, the press service of the Kyrgyz president said in a statement circulated today. Akayev said that the emergency session of the parliament could only strengthen confrontation in the parliament and deteriorate the social-political situation in Kyrgyzstan.

The president's press service made it clear that the agenda of the emergency session which includes electing the Central Election Commission and early parliamentary elections is unreasonable. The press service said that the Central Election Commission already legally exists and there is no necessity for electing it. Secondly, in accordance with the Kyrgyz Constitution, early parliamentary elections must be appointed by the president.

Recently, the majority of parliamentarians (168) refused to take part in the session of the Kyrgyz parliament planned for September 27. They said that the parliament had lost the confidence of people and was taking part in political intrigues instead of law-making. In fact, this led to the self-dismissal of the parliament.

Akayev Decree Regulating Emigration, Language Issue

LD0709192894 Bishkek KYRGYZKABAR in Russian 1225 GMT 7 Sep 94

[Text] Bishkek, 7 Sep—Yet another attempt to halt the emigration of the Russian-speaking population has been made by the government of Kyrgyzstan. Today the mass media carried the text of a resolution on the implementation of the decree from Kyrgyz Republic President Askar Akayev on measures to regulate the emigration process in the Kyrgyz Republic.

For the third time the date for introducing the Kyrgyz language into clerical work is being postponed. To start with it was 1995, then 2000, and now January 2005. The Ministry of Justice is obliged to introduce amendments into the law on the state language and envisage in it harsher administrative and criminal sanctions for fanning interethnic discord on the grounds of ignorance of the state language.

Special attention is paid in the government document to personnel policy. This policy must ensure the representation of national minorities in the bodies of state administration. However, as statistics show, the emigration of Russian-speaking specialists and managers is growing.

PRAVDA Ponders Calls for Early Elections

MM0709133594 Moscow PRAVDA in Russian 7 Sep 94 p 2

[Yuriy Razgulyayev article: "Kirghizia: Trying To Dissolve Parliament Ahead of Schedule. It Has Been Called an 'Assembly of Blabbermouths and Intriguers'"]

[Text] Bishkek—Despite A. Akayev's repeated and firm assurances that the present Supreme Council must see out its lawfully allotted term, an attempt to dissolve it has in fact been made. The ostentatious dismissal of the government and the statements by several groups of deputies that they will not attend the next session, which is due to open 27 September, are a clear indication of that. The reason for these events is that "parliament has become an arena of political struggle and intrigue" and has finally lost its authority among the people.

However, one cannot help noticing the strange fact that none of those who made this statement has resigned his deputy's seat. Some are even proposing that they should retain all the privileges due to an elected representative of the people even after the dissolution on the grounds that "the present parliament has fulfilled its historic mission."

This is by no means the only contradiction in the present situation. The first, for example, is that during the years of democracy we have somehow gotten out of the habit of believing in loud statements backed up by dozens of signatures. Life has shown how those signatures are usually collected. There are facts to suggest that on this occasion too there has been pressure from above. Several deputies have publicly said that members of the president's staff asked them to sign these papers.

The second question is this: Why is it necessary to dissolve just a few months before the expiry of its lawful term of office a parliament which has "fulfilled its historic mission"? Opposition parties and newspapers link this to the attempt by the Supreme Council to investigate instances of corruption and "piratization" in the upper echelons of power. And even though the session decided to start the investigation with the deputies themselves, the commission immediately caught some big fish from the executive in its net—hakims and leaders of ministries and departments...

However, as many analysts are saying, this is not the main reason. The representative branch, for all its shortcomings and weaknesses, is nevertheless much closer to

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the people than the officials of the executive organs are. The deputies see more clearly that the optimistic statements about dynamically developing reforms very often diverge from the realities of a life which is becoming increasingly difficult, impoverished, and calamitous for the majority of the people. That is why all sessions usually begin with angry speeches and sharp criticism of the government.

This situation, by all accounts, can only get worse during the winter ahead. Here is just one of the many alarm signals. Uzbekistan intends to stop taking Kirghiz [Kyrgyz] electricity. Kirghizia [Kyrgyzstan] will no longer have the means to pay for gas. It is already clear now that the price of imported grain will rise sharply in winter. At present imports account for one half of grain requirements. In short, if the next elections are held in March, as planned, the people's discontent could take the most unpredictable forms.

So you can understand perfectly well why the president decided to call the elections as early as December, even though in that case the preparations for the elections would overrun the constitutionally allotted timetable. Many readers may ask: Well, so what? They will hold the elections early and dismiss the parliament a few months before its term expires. But, as often happens in the east, the main idea here is not expressed openly, it is hidden in a welter of minor issues of less than fundamental significance. Thus anyone who knows the situation in Kirghizia well understands the main thing—it is not a question of when but of how.

People are trying to keep quiet about it, but the fact is that many deputies and sometimes whole oblast councils have not accepted the new scheme for a bicameral parliament. Formally speaking, it was put forward by F. Kulov, the former vice president who is now head of the state administration in Chuy Oblast. But everyone understands very well that the president himself is behind this venture.

And the essence of it is that, instead of the procedure enshrined in the recently adopted constitution whereby candidates compete for seats in the territorial districts that are familiar to everyone, **only one-half of the members of the reformed Supreme Council will be elected by universal suffrage.** The other half will effectively be appointed. Furthermore, it is proposed that all oblasts return the same number of deputies. Oblasts such as Talas, with a population of just 200,000 people, and Osh, where the population passed the million mark long ago. But numbers are not the main point. The "senators," and this is shown clearly by the experience of the Russian Federation Council, reflect interests quite different from those of real people's deputies. It is far easier for both the president and the government to reach agreement with them.

The "spontaneous" movement for the dissolution of parliament, as it is sometimes presented nowadays, caused great unrest among the political parties. In fact one of the main questions in the state's public life has been resolved without their participation, but the joint protest signed by the democrats, communists, and nationalists simply went unnoticed. Now they are urgently trying to convene a congress "in defense of the constitution, democracy, and freedom." But to judge from the first steps, the parties can no longer exert real influence on events. Unfortunately, democracy in our country is very easily controlled at the moment. Because neither deputies, ministers, nor top officials have any real intellectual freedom today.

However, to be absolutely honest, the situation is already changing little by little now. In the opinion of many analysts, the termination of the first democratic parliament in Kirghizia is the choice that the president has been forced to make between the theoretical slogans of democracy and the administrators and bureaucrats who have gained considerable clout, mainly financial and economic. After all, everyone can see how the new authorities are living, what kind of cars they drive, and what mansions they have built for themselves.

So the president has made his choice. Perhaps it really will be easier for him to work with the new Supreme Council. But even here, as they say, various options are possible. First, the elections in Belorussia [Belarus] and Ukraine showed how unpredictable the voters are nowadays. Of course, each people have their own mentality. In the east the word of the chief or the leader carries a very great deal of weight. Nevertheless, the years of the new power have opened people's eyes to many things.

Second, no one knows yet what price will have to be paid for the concessions that the president made before the elections when he did a deal with the present executive. Just look at Russia today: an indecisive parliament—the State Duma—has reduced Yeltsin to total dependence on a "close circle" of functionaries who seem to have only one interest—getting rich. But Kirghizia, unfortunately, very often repeats the zigzags and mistakes of yesterday's "big brother."

Be that as it may, the parliament's fate has triggered many discussions, debates, and proposals in the republic. The newspapers are full of them and people discuss them at work, in the bus, and at home. Some call this a "coup d'etat," others approve the dissolution of this "assembly of blabbermouths," while yet others say nothing but wait for what the future will bring.

What will happen next? Most probably the apocalyptic predictions of some political scientists about a split in the republic, a social explosion, and a change of government will not come true. Each of us today feels a certain numbness and fatigue at the political struggle. The revolutionary moods of 1989-1990 have given way to apathy, indifference, and concern for simple everyday needs. Consequently, I do not think that we should expect any noisy pickets in defense of the "historic parliament" and the new constitution. Most probably what will happen is the scenario devised by those at the top long ago. The only question is: Will the people's lives

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improve when the final obstacle in the path of the "radical reforms" is swept away and when yet another set of enemies take the blame for all one's own mistakes and blunders?

Tajikistan

Rakhmonov Speaks to Supreme Council

LD0709191094 Dushanbe Radio Tajikistan Network in Tajik 0515 GMT 7 Sep 94

[Speech by President Emomali Rakhmonov at an extraordinary 20th session of the Supreme Council in Dushanbe—monitored in progress]

[Text] ...We were also anxious that during the specified period all administrative units and official political parties would convene their meetings and nominate their candidates or express their views on those already nominated for the presidency. Unfortunately, not all our expectations were realized. For example, we have so far not managed to bring home a specific number of refugees we had in mind. Similarly, a number of administrative units, including the Gorno Badakhshan Autonomous Oblast, the city of Dushanbe, and towns and rayons subordinate to the republic, were unable to convene their sessions to nominate their candidates for the presidency. These and other factors were the reasons for convening this session to consult each other. What would we gain if we were to postpone the date for the referendum and the election?

Esteemed people's deputies, you know very well that in the period between the two sessions of the Supreme Council the republic's leadership has taken all measures to stabilize the situation in society. To some extent encouraging steps have been taken to resolve these issues. Our meetings in Moscow and Tashkent are among these steps.

This session is convened at a time when celebrations are continuing to mark the millenium of the eternal Shahnama of great Ferdowsi. The whole idea in the Shahnama is that brothers should not take up arms against each other, because it would cause misery and pain not only to the parents but also to the homeland. The coincidence of the Shahnama celebrations and the republic's independence anniversary is a sign of good fortune. I once again sincerely congratulate you on these occasions.

Dear friends, on the eve of the third anniversary of Tajikistan's independence, I regard it necessary to glance at the short but difficult road since our independence. The roots of all our present misfortunes lie in the fact that we were unable to take full advantage of our independence. On the contrary, some selfish sons of our people tried to use it to their own interests. As a result we fell in the whirlpool of adventures and civil war. The consequences of the war were so dreadful that little was left of our independence.

We can only speak of true and full independence when we are not dependent on others, when we are united, and when justice rules in our land. However, we have so far not achieved this. Why?

At present we are going through a transition period. This is an extremely difficult period. As you are aware, in the times of socialism a general level of equality existed in our country. Since this system collapsed in our former country, we, like other countries, pursued the road to mixed and market economy. This inevitably affected our way of life, our relationships towards each other, and the people's economic situation. Not everyone can understand this, nor is its solution easy for every one.

During the past year and a half we faced many difficulties that I cannot help but to speak about it. First is the issue of money. The truth of the matter is that this difficulty for Tajikistan has changed from an economic issue to a political one.

Obviously, our economy is interwoven with the economy of the great country of Russia. Monetary and economic (?union) with this country is the main road to our salvation from economic crisis. Therefore, despite any difficulties and problems, we are following this road.

Am I not aware of the living conditions of pensioners, large families on low income, teachers, doctors, and all people of the republic? Do I, as a citizen, not feel sorry for them? I once again express gratitude to my compatriots who are going through all these difficulties with hope of a bright future.

I should say frankly that our economy is in such a state that for the next four or five years it will be difficult for us to expect any growth. However, we ought to succeed to see improvements, not the reverse, day by day, week by week, and month by month. If the people realize the government is leading them in the right way, they will withstand difficulties and will support the government. We should trust and support those who are trying to get the economy out of the ruin. Our support can manifest itself the form of organizing labor. As far as the organization of labor is concerned, I would like to particularly stress that many leaders of towns and rayons, institutions and farms are remaining idle while complaining of a lack of raw material, fuel, and spare parts.

Aid! Who is going to give it to us? Have we given anything to any other state, and can we expect the same?

I think our present situation is even more grave than in the period after the great patriotic war. Then it was possible to send goods and products from one place to another. Then we had a single state; a specific mechanism was in charge of affairs. We should introduce saving and efficiency measures in all fields. We should perhaps (?endure) two or three years of hard labor and half-empty stomachs, because we ourselves are to blame, not others, for the present situation. I saw poor peasants in Yavon, Isfara, and Urateppa without shoes and

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proper clothing. I did not know what to do when I saw school children in Shahrtuz and Kurgan-Tyube without shoes and half-naked. Instead of a proper class they are studying under trees.

In view of all this, from the lofty rostrum of this session I appeal to you, all deputies, and all my people—the salvation of the republic is in our own hands alone. We ought to engage in labor and use the product of our labor for the well-being of our homeland.

I appeal to farm leaders and national entrepreneurs that today Tajikistan is in such a state that all production and all forms of production should support the single interest of the republic. We should remain Tajik, rebuild the homeland, and prevent hunger and humiliation with our labor. We should remain a Tajikistani and should not worship any other land except our own. We should remain Tajik and bring in essential goods to the homeland, and not to take the riches of the homeland out. Only then can the country become prosperous.

We should ensure security and peace for the country's citizens. We have made some serious inroads in this respect. For example, was the situation in Dushanbe, in Vakhsh, Hissar, and Karatigin valleys the same a year ago? Were not there times when people were being openly murdered on the streets? Were not there times when people were being openly threatened and insulted? Thank God, no such things exist now. However, the situation in most rayons, and particularly in the capital, has still not completely stabilized.

Grave crimes are still being committed. One is being killed for his money or property, another is being killed for political reasons, and a third for revenge. Theft from and torment of innocent peasants in bazaars still exist. Cannot the branches of the Internal Affairs Ministry in four rayons of the capital prevent these injustices? The most painful thing is that in many occasions criminals escape justice. This is a shame for the nation and a shame for the state.

This session assigns to relevant ministries and the leadership of the city of Dushanbe the task of resolutely waging the fight against criminals; otherwise, they should say clearly and openly that they are unable to prevent crime.

Our social situation demands we adopt a separate decree on the fight against organized crime, murder, plunder, and corruption. The employees of administrative bodies have to intensify their activities in the framework of legal norms.

It is also necessary to mobilize members of the public in this work. Law enforcement bodies should seek new forms of cooperation with the public. A criminal does not come from a particular nationality, locality, or sect. To ensure people's security and provide them with proper conditions for labor, administrative and law enforcement bodies ought to resolutely crush the criminals.

At present we are living in a politically complex period. Particularly, when the date for referendum on constitution and presidential election was announced, political pressures increased on the people and government. One example of this was rumors. The irreconcilable opponents of our state and people, using provocative leaflets and rumors, were once again pushing politically unaware and naive people into the flames of war. They are using the ancient disease of regionalism. I sincerely beg you to unite and do not allow this. If this time they manage to divide Tajikistan, then there will be left no region, no Tajikistan, no nation, and no national sovereignty.

In our time, the most important issue that appears in social and political life is the question of nationality. It is the greatness of our people that it has never said a word against other peoples and nations. They have worked and lived together in unity and fraternity. They have insulted no other nation. This is a special character of our nation. We will never step outside this national line. We love our nation, but we also keep respect of other nations.

The state of Tajikistan considers the issue of national pride in its policies as a worthy idea. We—all the people of Tajikistan—should observe and respect our mother tongue and national traditions. We should not [word indistinct] our national anthem, flag, and national emblem. We ought to keep in mind that [words indistinct] without any religion and nation will be lost. However, the person who speaks for his people and support the ideas of his people will remain eternally. The people and state can only live when their nation and language is alive. We are fighting for the state of Tajiks and for the survival of our nation and people. Today every Tajik has felt that the prosperity of the people, as well as the progress of the state and our independence, are dependent on the unity of our nation. National unity demands we forget any kind of social and political animosity and grudge.

The issue related to ensuring the sole national unity is one of the reasons for postponing the elections and referendum. We, people of Tajikistan, have decided to take part in discussing the Constitution's articles and in electing the head of state, as this is the work of the whole Tajik people.

Everyone of us can claim to be a Tajik and the son of this people and nation. Everyone of us considers himself more Tajik than others. There are even some people who do not know the Tajik language and Tajik national traditions but still consider themselves as Tajiks. We are to blame for this. But we have to serve the people truly, preserve and protect our national pride and honor, and know that it is not against any other ethnic groups. Nations that respect themselves do not criticize other nations; this is the Tajik custom. I want to repeat that if we do not determine our national destiny ourselves, nobody will do it for us. National pride will not be considered by claims and self-advertisement but by service to the country and people. Independence is

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tensely connected with national unity. In this connection I would like to attract your attention to several points. First of all, Tajikistan should retain the territory determined by our state in 1929. The issue related to national unity is the foundation for Tajikistan's integrity. The Tajik Government is striving not to allow the country's disintegrity. [passage indistinct] We are Tajiks, let us [word indistinct]. There were more Tajiks at the beginning of this century than nowadays, but what has happened? On the other hand, Tajikistan is a country of everybody who is born here. Let us respect, observe, and protect this tradition despite the difference in language, ethnicity, and religion.

Fortunately, these days the process of repatriation of our Russian, Uzbek, Kyrgyz, Tatar, and other brothers has begun. I am confident their number will increase if the political situation and situation on the border [Tajik-Afghan border] normalize. In this case, I would like to say a few words about the issue related to refugees. Tajikistan had more than 900,000 refugees inside and outside the country during the period of war from May 1992 to February 1993. We could manage to repatriate more than 850,000 of these refugees. Still there are 10,000-12,000 of our compatriots in Afghanistan, according to reports of a competent international organization. We think development and freedom of the motherland depends on full repatriation of the refugees. It goes without saying that it is not an easy issue. It is not enough to invite our compatriots. First of all we have to provide good conditions for them.

The Tajik Government, together with the international organizations and above all the United Nations and the United Nations High Commission for Refugees, does everything to help the refugees. But unfortunately, during the war we have so badly destroyed our country that it will not be easy to rebuild it in the current economic situation.

In this case I would like to say a few words about the opposition and our social structure. I am not against the pluralism of opinion, but bringing the pluralism of opinion to the armed struggle against one's people and nation is a treason. It will be a mistake to think that it will be possible to force one's compatriots to crawl on their knees with the help of strangers. History has had many so-called peace fighters and nationalists. We hope there are some people who wish peace and tranquility among the irreconcilable opposition. We hope their feeling of patriotism will take over and that they put down their arms and sit behind a peaceful negotiation table.

The Tajik Government will do its best to resolve this issue. The proof for this is that four times the general amnesty was adopted. More than 1,000 people will be released from prison in accordance with the amnesty adopted on 25 August. Dozens of criminal cases will be closed. Finally, if those people who consider themselves Tajiks and struggle against their people voluntarily surrender and return home, the motherland will welcome them. We want everyone to work for the country's development and tranquility despite different opinions and final aims. Moreover, we must not destroy our country and people. In this case a question arises about political parties. Unfortunately, in our Tajikistan there are political parties based on arms and violence. Our aim in the future is to provide conditions for the activity of all political parties that function in accordance with the law to achieve political power.

Here is another issue related to religion. It is clear that 100 percent of Tajiks are Muslims. However, one detail is very important. Religion, including the noble Islam religion, is necessary for the spiritual purity of everyone. Everyone who wants to involve it with policy degrades Islam. Let us take as an example the activity of John Paul II, the leader of the world's Catholics, and Aleksiy, the metropolitan of Russia. They always talk with Catholics only about peace and tranquility and call for unity and friendship.

Dear people's deputies, I would like to attract your attention to another important issue concerning the country. Frankly speaking, we cannot fully protect our border ourselves. Tajikistan is a country with the longest foreign borders in Central Asia and maybe the smallest population.

We did not have our army until 1993. These days, we are creating our army. It is true there are some misunderstandings between the servicemen in our newly created army. Our aim is to prevent such misunderstandings. However, you know there were misunderstandings before and the dead bodies of our youths were brought from other republics. Then why are some people taking advantage of these misunderstandings? We have to prevent this crime, but not by using criticism, sarcastic remarks, and regionalism. We have to cooperate and help each other. In such a way we shall have an army and borders, and we shall become the real masters of our country. Could you tell me please when the heads of rayons and social and creative associations visited our border guards and servicemen to ask about their living and service conditions? In 1993-1994 several delegations and groups of mothers of servicemen came from Russia, Khorog, Shurabadskiy, Pyandzskiy, and Kumsangirskiy Rayons and handed over mother's presents. I have met nearly all these delegations, and nobody complained about the bad service conditions of their sons.

Dear people's deputies, today we want (?to discuss) the issue related to postponing the referendum and elections. I would like to stress one point. There are some people criticizing us, saying we do not want multi-candidate elections, that we are afraid of democratic elections. Why should we—the people who have struggled for the democratic structure—be afraid of its consequences? We are not afraid of election rivalry. Our main aim is that the election campaign has to make us friends and become the reason for the country's tranquility. Let there be many candidates for the post of the head of state. We

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invite the opponents of the present government to nominate their candidates. The people know whom to elect. My only wish is that every candidate has to put the nation's and state's interest above his own as Tajikistan cannot be divided any more and Tajik people cannot suffer any longer. Elections have to determine the national unity of the Tajik people.

Dear friends, as the head of state, I sincerely invite you to use all your efforts, knowledge, and experience to unite the whole Tajik people and to provide peace and tranquility for all people who are living in Tajikistan. Tajikistan should not wait for assistance from outside. Tajikistan should ensure its economic and political independence. We have to sum up the current economic year. All branches of the national economy, as well as housing, educational, cultural, and medical establishments, should prepare for the winter. Every Tajik family should be ready for winter. Tajiks and other people who are living in Tajikistan should have close fraternal relations with their friends, neighbors, and above all the fraternal Russian and Uzbek peoples, as without this friendship [words indistinct] is impossible.

We appreciate the assistance international organizations and foreign countries rendered to our people during our difficult times, and we are going to develop our relations with them in the future.

The Tajik Government is carrying out real economic reform in its policy. Its main aim is ensuring the country's independence and the people's well-being. Our country's borders should be strengthened, and all of the country's youths should consider border protection as sacred as their honor. The legal and administrative bodies have to take all steps to eliminate crime. Elections should only take place when the participation of the overwhelming majority of Tajik people will be possible and its democratic and national features manifested. We are confident the tortured people of our country, its youths and old people, will achieve their good wishes in the way of our country's independence and development.

Dear people's deputies, in conclusion, I would like to say that it will be a good idea if we postpone the referendum and elections until 6 November. Thank you very much for your attention.

Opposition Welcomes Postponement of Elections

LD0809113594 Moscow INTERFAX in English 0954 GMT 8 Sep 94

[Text] The Tajik opposition has welcomed the decision taken by the emergency session of the Tajik parliament to postpone the presidential elections and referendum on the constitution from September 25 to November 6, head of the opposition delegation at inter-Tajik talks Otakhon Latifi told Interfax today.

"The opposition has showed its strength and is recognized by the world community," Latifi said. "Unfortunately Dushanbe has not recognized us and did not want to hold talks with us. However, the wide-ranging actions of out armed units, the UN and CSCE position have forced the Tajik authorities to return to a dialog with us."

"We were ready to stop our action on the Tajik-Afghan border during the first round of talks with Dushanbe [in Moscow April 5- 19], but our opponents preferred the language of force."

He added that "the opposition is ready to stop the armed struggle and hold peace talks but Dushanbe must also disarm its armed formations."

He said it had not yet been decided whether the opposition would take part in the presidential elections and referendum in November.

He said everything depended on the results of the third round of talks due to take place in Islamabad, Pakistan.

Agenda for Supreme Soviet Session

LD0709180394 Dushanbe Radio Tajikistan Network in Tajik 1700 GMT 7 Sep 94

[Excerpts] The 20th session of the Supreme Soviet of the Republic of Tajikistan of the 12th convocation started its work in Dushanbe today.

The following issues were included in the agenda of the session:

1. On implementation of the constitutional reform and political situation of the Republic of Tajikistan.

2. On the draft decree of the Supreme Soviet of the Republic of Tajikistan on including Yavanskiy rayon in Khatlon oblast of the Republic of Tajikistan.

3. On the draft decree of the Supreme Soviet of the Republic of Tajikistan on turning Yavan settlement into a category of town subordinate to a rayon.

4. On the draft law of the Republic of Tajikistan on the text and music of the state anthem of the Republic of Tajikistan.

5. On the election and dismissal of judges.

6. On approval of the international agreements.

7. On approval of the decrees of the presidium of the Supreme Soviet of the Republic of Tajikistan.

Later, the people's deputies adopted the relevant decrees on the issues included on the agenda. International agreements which were signed by the Republic of Tajikistan have been approved.

The session finished its work.

UN Envoy 'Satisfied' With Talks With Tajik Leaders

LD0709160494 Moscow INTERFAX in English 1101 GMT 7 Sep 94

[Text] Chairman of Tajikistan's parliament Emomali Rakhmonov has declared the readiness of the republic's

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leadership "to fulfill all acceptable provisions so that the opposition can lay down their arms and sit at the negotiation table." Rakhmonov voiced this statement in the course of his meeting with a special envoy of the UN General Secretary Ramiro Piriz Ballon in Dushanbe Tuesday, the presidential aide Saidmurad Fattoyev told Interfax.

Well-informed sources told Interfax that Rakhmonov also underlined that Tajikistan's authorities are ready to raise the level of the governmental delegation during the third round of the inter-Tajik negotiations to be held in Islamabad. According to available information, deputy chairman of Tajikistan's parliament Abdumadzhid Dostiyev will head the delegation.

Rakhmonov reminded that in accordance with the agreement reached between the parties at the second round of the inter-Tajik negotiations, on August 25 the republic announced an amnesty.

Ramiro Piriz Ballon is satisfied with the results of his negotiations with the Tajik leadership, head of the UN observers in Tajikistan Liviu Bhota reported to Interfax. Ballon also gave a positive assessment to the intention of the Tajik authorities to postpone presidential elections and the referendum on the Constitution from September 25 to November 25.

Ramiro Piriz Ballon expressed his hope that the inter-Tajik negotiations would be resumed in the near term. He stressed the importance of the fact that negotiations be held under conditions of a cease-fire.

This week, Bhota continued, Ballon is to meet with leaders of the Tajik opposition. Ramiro Piriz Ballon left Tajikistan for Islamabad.

Russian Guards Thwart Afghan 'Rebels' at Border

LD0809112894 Moscow INTERFAX in English 0954 GMT 8 Sep 94

[Text] Russian guards have thwarted two attempts to violate the border by Tajik rebels entrenched in Afghanistan, a spokesman for the Russian Frontier Forces told Interfax. In one incident on Wednesday, a 15-member rebel group trying to infiltrate into Tajikistan from an island on the Pyanj River had to retreat after the Russian guards opened fire.

In a separate incident, a truckload of armed militants was forced back into Afghanistan after a failed attempt to break through Russian defenses outside the village of Vanch in Gorno-Badakhshan later on Wednesday.

Earlier, the rebels mounted cross-border fire on two Russian Army vehicles near the village of Buni on one other section of the Afghan border, but no one was hurt. The Russian guards returned fire suppressing the rebels' fire.

100 Russian 'Experts' Return to Tajikistan

LD0509125694 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 5 Sep 94

[Text] One hundred experts who had been forced to leave their permanent places of residence as a result of the fratricidal war, returned from Russia to Tajikistan.

So far, more than 6,000 outstanding Russian experts have returned from Russia to Tajikistan. Four hundred residential homes have been prepared in Rogun. It should be pointed out that approximately 900,000 Tajik refugees have returned to their homes, so far.

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Armenia

Nagorno Karabakh Talks To Be Held in Moscow

LD0809063894 Moscow ITAR-TASS in English 0625 GMT 8 Sep 94

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan September 8 TASS—The presidents of Armenia and Azerbaijan, Levon Ter-Petrosyan and Geydar Aliyev, will meet in Moscow in the next few days to discuss ways of settlement of the conflict in and around Nagorno-Karabakh, sources close to the Armenian Government told ITAR-TASS.

Armenian President Levon Ter-Petrosyan left Yerevan for Moscow on Thursday morning to prepare for the talks.

Chairman of the Nagorno-Karabakh State Committee for Defence Robert Kocharyan left with the Armenian president. Kocharyan is expected to take part in the talks between the heads of state of Armenia and Azerbaijan.

The meeting in Moscow will seek a legal formula for the ceasefire which has been observed in the conflict zone for the past four weeks.

Armenian Prime Minister Grant Bagratyan, who also left for the Russian capital today, will take part in the meeting of heads of government of the Commonwealth member-countries, which opens here today.

Azerbaijanis Shell Tavush, Idzhevan Overnight

NC0709114294 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0713 GMT 7 Sep 94

[Text] Yerevan ("HAYASTANI HANRAPETUTYUN" daily), 09/07/94—Units of the Azerbaijani Army violated lull at the north-eastern borders of Armenia in the night of September 6.

According to RA [Republic of Armenia] Defense Ministry, the enemy shelled, using mortars and hand-held weaponry, the Armenian defense positions at the villages of Movses in the Tavush district and Kirants in the Idzhevan district from 10:30pm till 00:30am. No casualties are reported. The Armenian frontier forces refrained from returning the fire.

Azerbaijan Blamed for 4 Sep Market Explosion

LD0709194394 Moscow INTERFAX in English 1741 GMT 7 Sep 94

[Text] The Armenian Foreign Ministry said it considered the explosion at the market of the village of Bagratashen on September 4 as an "act of state terrorism." Yerevan blamed the Azerbaijani government for all possible consequences of the explosion.

The explosion killed 14 people, including 11 Armenians, two Azerbaijani and a Georgian, and hurt 46 people.

The Armenian Foreign Ministry circulated a statement today saying that this action was aimed "against peaceful civilians and was carried out while the truce on the Karabakh front has been observed for four months already." Armenia said it believed that the explosion had been timed on purpose with the toughening of Azerbaijan's position at the talks on settlement of the Karabakh problem.

The Armenian Foreign Ministry said it expected the world community to condemn this action which could violate the "fragile truce and wreck the intention of the peoples of the region to achieve a long-lasting and stable truce."

Azerbaijani Journalists Arrive in Armenia

LD0709192794 Moscow INTERFAX in English 1540 GMT 7 Sep 94

[Text] For the first time since the Armenian-Azerbaijani conflict flared up six years ago, a group of Azerbaijani TV reporters have arrived in Armenia.

Over three days, reporter Samir Askerkhanov and cameraman Etibar Nasirov are to interview the Armenian president and foreign and defense ministers, the chief of the State Department for National Security and the chairman of the Armenian State TV and Radio Company, the information center NUR of the Azerbaijani embassy in Moscow told Interfax. The leitmotif of the forthcoming interviews is ways of settling the Karabakh conflict, the most long-drawn-out conflict in the history of the former Soviet Union.

The Azerbaijani journalists will also meet with representatives of the Armenian public and establish contacts with the Azerbaijani TV and radio committee.

President Receives Outgoing Iranian Ambassador

NC0709122894 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0713 GMT 7 Sep 94

[Text] Yerevan ("HAYASTANI HANRAPETUTYUN" daily), 09/07/94—The Ambassador of the Islamic Republic of Iran Ahmad Sobhani is leaving Armenia, having finished his diplomatic mission.

On September 6 RA [Republic of Armenia] President Levon Ter- Petrosyan accepted Mr. Sobhani and thanked him for fruitful work, paying great importance to his input in stability and development of Armenian-Iranian governmental relations.

Mr. Sobhani, in turn, thanked the President for the support of Armenian authorities in his work and friendly relations.

The sides also discussed the prospects of future developments in Armenian-Iranian relations.

Azerbaijan

Guliyev Comments on Parliamentary Elections

LD0709162094 Moscow INTERFAX in English 1101 GMT 7 Sep 94

[Text] The parliamentary elections in Azerbaijan will probably be held in summer of 1994, Rasul Guliyev,

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chairman of the republic's Supreme Soviet declared at the fist sitting of the parliament which gathered after its vacation. He proposed to discuss the development of the draft decree on elections next Friday. Guliyev reported that this document will be published this September.

As Guliyev said, the parliament is scheduled to adopt it and to appoint the time of parliamentary elections this October.

Opposition Opposes Proposed Karabakh Agreement

LD0709161794 Moscow INTERFAX in English 1101 GMT 7 Sep 94

[Text] Several Azerbaijani opposition parties, including the Popular Front and Musavat, declared that it is inadmissible to sign any document on the Karabakh settlement which would infringe upon the country's sovereignty.

"If the political agreement which contradicts to Azerbaijan's state interests is signed we shall not recognize it and shall wage a struggle against it in the frameworks of the law," underlines the opposition's statement made public on Tuesday evening.

The document does not make it clear what provisions of this large political agreement which now is being developed at the negotiations in Moscow infringes upon Azerbaijan's sovereignty.

The document contains a draft agreement of the opposition aimed at the settlement of the Armenian-Azerbaijani conflict. In particular, it provides for an entire cessation of hostilities, creation of observation points in the Karabakh zone and on the border between Armenia and Azerbaijan under the UN auspices, liberation of the territories occupied by Armenia's armed forces, and guarantees that Armenia, Azerbaijan, and international organizations will return deported persons and will ensure a wide national autonomy for other ethnic groups.

The opposition also insists to entirely restore diplomatic, political, and economic ties between Armenia and Azerbaijan and says that both states should reject mutual territorial claims.

Defense Ministry Orders Strict Cease-Fire

944F1464A Baku AZERBAYDZHAN in Russian 3 Sep 94 p 1

["Statement of the Ministry of Defense of the Azerbaijan Republic"]

[Text] The Azerbaijan Republic expresses its satisfaction in connection with the observance of a cease-fire in accordance with the document of 27 July 1994.

According to orders issued by the Ministry of Defense of the Azerbaijan Republic, all Army units under its jurisdiction are directed to refrain from any action that might lead to a violation of the cease-fire. Appropriate measures are envisaged to preclude incidents, as well as measures to punish individuals found guilty of violating the cease-fire.

With regard to the continuing intensive consultations being conducted by the parties participating in the armed conflict, further maintenance of the cease-fire is envisaged until such time as a political agreement is concluded that signifies a complete and conclusive cessation of the armed conflict.

Aliyev Ends Egypt Visit; Views Talks

NC0709161394 Baku Radio Baku International Service in Azeri 1300 GMT 7 Sep 94

[Text] President Geydar Aliyev has concluded his visit to Egypt. As reported earlier, he attended the International Conference on Population and Development in Cairo. Aliyev held talks with President Husni Mubarak. He briefed his host in detail on the life and present situation in our independent republic. Mubarak said that he will take all measures necessary to promote multi-sided relations between Azerbaijan and Egypt. It was noted that Egypt will adopt a more active policy in accordance with international norms to safeguard Azerbaijan's territorial integrity and the liberation of its occupied territories. It was also noted that President Aliyev's official visit to Egypt will have an important bearing on improving relations between the two countries.

President Mubarak welcomed the invitation President Aliyev extended to him to visit Azerbaijan. He said that he will visit our republic at an appropriate time.

President Aliyev also held talks with Prime Minister Benazir Bhutto. He outlined the importance Azerbaijan attaches to improving its relations with Pakistan and recalled that Pakistan was among the first countries to recognize Azerbaijan's independence. He also welcomed the friendly relations between the two countries. The two sides exchanged views on the improvement of relations between Azerbaijan and Pakistan and other matters that concern the two sides.

President Aliyev also held talks with representatives of the U.S. Chamber of Commerce in Egypt. He and congressmen, senators, diplomats, and businessmen discussed in detail the social and economic situation in Azerbaijan and our republic's interest in foreign investment. The businessmen were interested in the opportunities that exist in Azerbaijan for foreign investors and the measures taken to safeguard their activities and investments. President Aliyev cited the agreement Azerbaijan will sign with a consortium of western oil companies for the joint operation of Caspian Sea oil fields as an example and assured them that all necessary measures will be taken to safeguard the activities and investments of foreign companies.

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Possibility of Aliyev-Ter-Petrosyan Moscow Meeting

LD0709194094 Moscow INTERFAX in English 1741 GMT 7 Sep 94

[Text] Azerbaijani President Geydar Aliyev will fly to Moscow Thursday, a source in his headquarters told Interfax. Aliyev is expected to attend the CIS summit scheduled for September 9.

The source did not rule out the possibility that Aliyev will meet with his Armenian counterpart Levon Ter-Petrosyan.

Armenian officials did not confirm this report.

Nakhichevan Parliament Denies Targeting Ex-President

LD0209133694 Moscow INTERFAX in English 1109 GMT 2 Sep 94

[Text] The press service of the Nakhichevan Autonomous Republic's parliament denied the allegation of the opposition Popular Front of Azerbaijan that the authorities want to have the NFA leader, former president Abulfaz Elchibey, killed, he has been staying in the village of Keleki. Nakhichevan is an Azerbaijani enclave squeezed between Armenia, Turkey and Iran.

The press service statement made public in the town of Nakhichevan says that no measures had been taken in preparation for Elchibey's return and that he and his family could have security guarantees from the state authorities at any time.

Meanwhile, the police in the Sharur District are reported by the Azerbaijani Interior Ministry to have taken over a building and the area around it occupied by the local NFA branch. A 100 mm gun and ammunition cartridges were seized.

In the same area police and army units mounted a joint operation in an effort to destroy the band of Shakhmardan Jafarov, an active supporter of Elchibey. The opposition says that the operation failed. NFA activists claim the long-term goal of the operation was to off [as received] Elchibey.

Operation Against PKK Militants Reported

NC0609061494 Istanbul HURRIYET in Turkish 2 Sep 94 p 10

[Report by Irfan Sapmaz: "Operation Against PKK in Nakhichevan"]

[Text] Baku—Special teams from Azerbaijan and Turkey have carried out a wide-scale operation in Nakhichevan against the Workers Party of Kurdistan [PKK] militants, who infiltrate into Turkey from Syria, Iran, and Iraq. Some 30 militants have been captured in the operation. No information has been divulged on the number of casualties. In a statement on the Azerbaijan Television Network yesterday, Minister of Internal Affairs Ramil Usubov said that the PKK has suffered a significant blow. Usubov gave no further information.

The operation, which was not publicized, was carried out after the talks Ankara and Baku held to coordinate their military activities. President Geydar Aliyev instructed Ramil Usubov to destroy the PKK militants in several hideouts in Nakhichevan. Acting on Aliyev's instructions, Usubov contacted the Turkish security officials to prepare for the operation. The preparations were carried out in secret. Special teams and KGB [as published] units were dispatched from Azerbaijan to Nakhichevan. Several Azerbaijani citizens, who sympathized with the PKK militants, were arrested and interrogated. The officials acquired information on the location of the terrorist hideouts.

Terrorists Cut Power Lines

Meanwhile, the PKK terrorists cut three power lines which supply electricity from Turkey to Nakhichevan. Ramil Usubov held an extraordinary meeting with the internal affairs minister and the commander of the border guard units in Nakhichevan. A high-ranking official of the special teams in Turkey attended the meeting. Usubov gave the order for the operation to begin.

The teams from Turkey joined teams in Nakhichevan and launched an operation at the Shahtahti border crossing point between Nakhichevan and Iran. Some 30 PKK militants were captured alive in the clashes, which took place in several villages in that region.

Camps in Armenia

Five of the captured PKK members have admitted that they trained in the camps in Armenia and then crossed into Turkey through Nakhichevan and Iran to carry out terrorist activities. Their crossing point was the Agri Mountain. The militants also admitted that they fought in the Armenian ranks against the Azerbaijani units in Daghlyk-Karabakh [Nagorno-Karabakh].

Baku Refutes Suspending Chechnya Rail Traffic

LD0709162494 Moscow INTERFAX in English 1101 GMT 7 Sep 94

[Text] Ziya Mamedov, deputy chief of the Azerbaijani Railroad Department, refuted information stating that Azerbaijan had suspended rail traffic via Chechnya's territory.

In an interview with Interfax Wednesday he underlined that Azerbaijan is unable to implement such a decision from the physical, legal, or technical points of view.

In his words, Russia stopped rail way traffic on Chechnya's territory two days ago and informed the Azerbaijani railway department about this fact by a telegram.

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The telegram, in particular, said that due to the aggravation of the situation in Chechnya Russia suspends traffic of cargo and passenger rail way trains to Baku and backwards.

As Mamedov said, stoppage of the rail traffic from Azerbaijan to Ukraine, Kislovodsk, and Moscow will result in multimillion losses.

Government Grants Large Credits for Key Industries

LD0709175894 Moscow INTERFAX in English 1321 GMT 7 Sep 94

[Text] The Azerbaijani government passed a decision to allocate large preferential credits to priority branches of industry to the tune of 60 billion manats (about $46 million).

At the government's sitting Tuesday in Baku, Azerbaijan's Prime Minister Suret Guseynov explained the need for these credits by "the critical situation" in the economy. "The credits will be allocated for concrete programs and for a restricted term," he underlined.

Credits at 50 percent annually (regular rate - 150 percent) are to be allocated to oil producers - 6 billion manats, grain production - 5 billion manats, cotton-growing and baking industry - 30 billion, to the Material Resources Ministry - 2 billion, gold producing industry - 1 billion. The gas producing sector will receive a 10-percent rate credit of 15 billion manats.

Earlier parliament had passed a decision to give up preferential crediting of industry and the government had refrained from widescale crediting until now.

The government's sitting noted the continuing decline in oil and gas production on the Caspian Sea shelf. For example, 675,250 tons of oil were extracted in August (830,500 tons in July) - 89.7 percent of the projected level. The republic has produced 495.826 million cubic meters of gas this year (511.8 million cubic meters) or 72 percent of the plan.

ALP Leader Protests 'Repressive Actions' by Authorities

MM0209115194 Moscow PRAVDA in Russian 2 Sep 94 p 2

[Undated statement by Azerbaijan Labor Party Chairman S. Gadzhiyev: "Very Great Anger Against the Labor Party. They Fear the USSR's Rebirth"]

[Text] In his concluding speech at the recent economic conference, which summed up Azerbaijan's calamitous situation, President Geydar Aliyev came down upon a "new party" which allegedly intends to revive socialism and the Soviet Union. It is strange that precisely the Labor Party has been singled out as the target of very great anger from among the entire polychromatic and extremely colorful palette of political parties and public movements in the republic. Its main aim is the formation of a society of social justice in the republic, and it consistently opposes both right-wing and left-wing extremism.

Many people would like to turn the process of unification in the post-Soviet area into a frightening bugaboo. But this is an objective reality. The ALP [Azerbaijan Labor Party] sees it as a strategic prospect. Azerbaijan can and must play an active role in creating a strong economic union throughout the Eurasian area. Only on this basis is it possible to build new interstate relations and extricate the country from the economic crisis. The form—federative, confederative, or any other form—will be suggested by political practice, by life itself.

Many politicians prefer a different path. It is clear why. For, in conditions of new, civilized development, the breeding ground for sundry family, clan, and fellow-countryman groupings disappears. Behind a mask of struggling for "independence" they would like to lay their hands on the republic. Is this not the chief reason for the unworthy political intrigues over the ALP?

Our persecutors do not confine themselves to verbal abuse. The authorities have recently undertaken a number of repressive actions against the Labor Party. Its members are subjected to frequently overt oppression, dismissal from work, threats, and so on.

Here are the facts. On 6 August a police detail consisting of several dozen people conducted a search of the home of M. Aliyev, member of the party leadership. The search was carried out without showing a warrant and in the absence of the householder or witnesses.

Next Sh. Abushev, head of Sumgait's executive power, banned the holding of the ALP city conference, withdrawing his own permission granted earlier. G. Gubadov, head of executive power in the city of Baku's Apsheronskiy Rayon, also refused to give permission for the holding of a conference. In both cases representatives of the authorities justified the illegal actions by referring to relevant instructions from the presidential apparatus.

I emphasize once again that the Labor Party is far removed from any extremism. What is more, the ALP has repeatedly declared that it is prepared to support any government undertakings aimed at stabilizing the economic situation in the republic and improving the life of the people. But the government does not yet have a realistic and acceptable program for extricating the country from the very profound national crisis.

[Signed] ALP Chairman S. Gadzhiyev

Georgia

Foreign Minister, Indian Envoy Discuss Cooperation

LD0709221094 Tbilisi Radio Tbilisi Network in Georgian 1950 GMT 7 Sep 94

[Text] Georgian Foreign Minister Aleksandre Chikvaidze has received Ranendra Sena, India's ambassador to

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Georgia. The two sides agreed it was necessary to create a legal basis for the development of cooperation between the two countries. It was agreed that on the basis of the two countries's foreign ministries, working groups of experts would be set up. These groups would prepare draft agreements for cooperation and production of joint products in the following fields: finances, transport, agriculture, food, pharmaceutical, and chemical industries.

Abkhaz-Armenian Relations 'Acutely Strained'

AU0809063694 Tbilisi REZONANSI in Georgian 3-4 Sep 94 p 1

[Unattributed report: "Ardzinba Is Planning To Celebrate the Victory Anniversary"]

[Excerpt] In the event of the arbitrary return of the refugees, the Abkhazians and their leader Ardzinba do not exclude the declaration of universal mobilization. If this really happens, the Gutauta grouping could be faced with a serious problem. As is being reported, relations between the Abkhazian and Armenian population have become acutely strained. The kidnapping of wealthy Armenians has become the favorite pastime of Abkhazian fighters. Small confrontations have already taken place between Abkhazian and Armenian fighters. The Armenian residents of Sukhumi rayon and the village of Labra in Ochamchire rayon are particularly indignant. If things continue in this way, one cannot exclude an ethnic conflict arising in Labra.

The criminal situation remains serious; according to Enver Kapba, Ardzinba's deputy and a former activist in the Georgian Communist Party, such are the crimes being perpetrated in Abkhazia today that suspects should be shot on the spot. Those people being detained by the police today are not being punished. On account of the overcrowded prison cells, many people suspected of having committed serious crimes are being set free.

So. Ossetia, Gagauzia Sign Cooperation Accord

LD0809103594 Moscow Russian Television Network in Russian 0800 GMT 8 Sep 94

[Report from Georgia by M. Vardzelashvili; from the "Vesti" newscast]

[Text] The heads of the Georgian and Armenian security services have signed an agreement on cooperation. This provides for joint action against terrorism, organized crime, and drug trafficking.

A meeting of the legal and defense commissions of the CIS Interparliamentary Assembly will open in Batumi on 9 September. The Russian delegation has already arrived in Tbilisi. It will go on to Batumi.

The expansion of contacts is fairly important for young independent states, since it is easier to cope with difficulties together. Self-proclaimed republics like Abkhazia, the Dniester region, South Ossetia, and Gagauzia evidently share this view. It has been learned from reliable sources that on 3 September Ludvig Chibirov, chairman of the South Ossetian Supreme Soviet, and Stepan Topal, president of the Gagauz Republic, signed a treaty on friendship, mutual understanding, and cooperation. The parliaments of the two completely unrecognized republics have a month to ratify this agreement. The Gagauz Republic has already signed similar treaties with Abkhazia and the Dniester region.

Russian Defense Exercises Near Akhalkalaki Denied

LD0709163694 Moscow ITAR-TASS World Service in Russian 0936 GMT 7 Sep 94

[By ITAR-TASS correspondent Sergey Ostanin]

[Text] Moscow, 7 Sep—A comprehensive check of the state of training of the 147th Motor Rifle Division of the Group of Russian Forces in the Transcaucasus is taking place in the south of Georgia in the area of Akhalkalaki. ITAR-TASS was informed about this today by a well-informed source at the Russian Defense Ministry.

The check, headed by Colonel General Fedor Reut, the commander of the Group, was planned and will be concluded on 9 September, the source notes. During this process, it is envisaged to hold, in particular, a review of military equipment, training exercises, and other measures. The Russian Defense Ministry has rejected reports by a number of the Georgian media that tactical exercises of Russian troops are now being held in the area of Akhalkalaki and that actions of the motor rifle battalion in the mountains are being worked through.

Oppositionist Kobalia's Health 'Sharply Deteriorated'

AU0809074894 Tbilisi AKHALI TAOBA in Georgian 2 Sep 94 p 2

[IBERIA report: "Kobalia's Health Has Deteriorated"]

[Text] According to a statement issued by the press center of the All-Georgian Association for the Protection of Human Rights, the health of Vakhtang (Loti) Kobalia, leader of the armed formations supporting the former authorities, has sharply deteriorated following his imprisonment. The medical personnel are not rendering him any medical aid. V. Kobalia's relatives are not being given the chance to hire the lawyer that they want.

The All-Georgian Association for the Protection of Human Rights demands that the Republic of Georgia Procurator's Office and the prison administration uphold all the norms of international law that are recognized by the UN.

Albright's Tbilisi, Zugdidi Statements Cited

MM0709142594 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 6

[Report by Mikhail Dolidze: "Georgia: Mrs. Albright's Recipes. U.S. Representative to United Nations Tours CIS Countries"]

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[Text] The schedule for U.S. representative to the United Nations Madeleine Albright's stay in Tbilisi was a difficult one, with every minute accounted for. No longer young, but possessing the toughness of a seasoned diplomat, this woman has been on the road since 25 August, visiting the Czech Republic, Slovakia, Moldova, and the countries of the Transcaucasus, trying to ascertain the level of the crisis in the Caucasus and the chances for international mediation.

In Tbilisi Albright met with Eduard Shevardnadze. At the briefing the guest began by saying that she had brought a letter to Georgia from U.S. President Clinton, which stresses: Assistance to the country headed by Shevardnadze will continue. In particular, and in addition to the 100,000 tons of wheat, the White House administration is allocating $4 million for energy sources and $2 million for foodstuffs.

Albright and Shevardnadze stressed that their conversation focused on the Abkhaz problem. The U.S. representative to the United Nations confirmed recognition of Georgia's territorial integrity. It was noted that Abkhazia can be granted broad autonomy. "But Abkhazia must not have its own money, armed forces, or airlines," Albright said.

The peacemaking operation currently being conducted in Abkhazia is out of the ordinary: Instead of UN peacemaking forces, as is usually the case, it is being conducted by Russian forces with the participation of UN observers. "This operation should show to what extent the world community, which is going through changes, can use different formulas for resolving crises," Allbright said, stressing that the number of UN observers would be increased. According to her, priority is given to the return of refugees.

The well-known diplomat talked about this at a large meeting of refugees in Zugdidi, which took place a few hours after the meeting in Tbilisi. Here too Allbright gave assurances that the United States supports Georgian integrity. The world community is watching events, wants the refugees to return home peacefully, and will do all it can to that end. Albright urged the refugees to refrain from returning spontaneously. "I can see a placard here, which says: 'The Berlin Wall has been destroyed and a wall has to be erected on the Inguri.' Believe me, you will return, there will be no wall," she said.

In Zugdidi the VIP was received by Member of Parliament Dzhaba Ioseliani. He usually heads the Georgian delegation at the rounds of negotiations on the political status of Abkhazia in Geneva. This time there was a refusal from Ioseliani. Describing all negotiations as pointless until the refugees return, he went not to Geneva, but to the border with Abkhazia, saying that he would join the refugees, if the latter were to begin a spontaneous return, having lost faith in peaceful mediation.

On returning to Tbilisi, Albright had meetings with the Georgian prime minister and with the foreign and defense ministers. On leaving for Armenia, she called Shevardnadze a very close friend, who has many supporters in the United States prepared to do a great deal to settle Georgia's internal problems.

Let us wait some more: Perhaps the West will help us.

United Communist Party Holds Extraordinary Congress

MM0709122594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 7 Sep 94 p 1

[Unattributed report: "Stalin's Cause Triumphs At Home"]

[Text] An extraordinary congress of the United Communist Party of Georgia, comprising the Communist Party of Working People, the Union of Communists, the "Stalin" Society, and the Stalin Commemoration International Organization, has been held in Tbilisi. Party Chairman General Panteleymon Georgadze noted with delight that a few days ago the Georgian Justice Ministry registered this political organization and its press organ, the newspaper KOMMUNISTI [Communists], which had been banned in Zviad Gamsakhurdia's time.

According to Party Secretary Grigol Oniani, every inhabitant of the republic should feel that there are Communists in the country whose task is to help the needy. "We are not aggressive, we are ready to cooperate with any force acting for the good of Georgia," G. Oniani said. The congress participants have planned a series of functions to coincide with the 50th anniversary of victory in the Great Patriotic War.

New Jobless Union Seeks Socialist Restoration

LD0809082794 Moscow ITAR-TASS in English 0756 GMT 8 Sep 94

[Text] Tbilisi September 8 GIA-TASS—Georgia has 80 thousand registered unemployed workers and another 700 thousand who belong in the category of the so-called "hidden unemployed", according to Giga Pridonashvili.

"The basic rights of citizens guaranteed under socialism have been abolished by the on-marching capitalism," said Pridonashvili who is one of the organizers of a new association of people whom these changes in the republic's economic and social life have hit the hardest.

The founding conference of the Union of Jobless, Pensioners and Other Vulnerable Groups of Georgian citizens was held in Tbilisi on Wednesday. The new public association is an independent, mass, public organisation which aims to struggle for the right to work, rest and recreation, housing, health services, and cultural and intellectual development.

Giga Pridonashvili, elected chairman of the union, said the union's main aim is "to struggle for the restoration of the socialist system".

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The conference decided to establish a fund to invest in job placements of the unemployed.

State Information, Publishing Corporation Created

LD0409193394 Tbilisi Radio Tbilisi Network in Georgian 1500 GMT 4 Sep 94

[Excerpts] Taking into account the most important role played by newspapers and magazines in providing information to the population, the problems of the publishing and printing spheres are affecting almost everybody.

In order to transfer these spheres onto the market economy track, by an edict of the Georgian head of state and by resolution of the Cabinet of Ministers, a Georgian State Information and Publishing Corporation has been established.

Today, Eduard Shevardnadze met Vakhtang Abashidze, the general director of the Information and Publishing Corporation, and his deputies—Jemal (Tarazanashvili), the director of the printing works, and Bezhan Sikharulidze, the director of the publishing house.

Monthly Wage at 125 Rubles, Lowest in CIS

AU0809063294 Tbilisi REZONANSI in Georgian 3-4 Sep 94 p 1

[Unattributed report: "Georgia's Misfortune"]

[Text] Of all the former republics of the USSR, Georgia is in the most serious situation. Even in war-torn Azerbaijan, Armenia, and Tajikistan, the situation is better than in Georgia.

In August 1994, the average nominal wage calculated in rubles amounted to: 215,000 rubles in Russia, 20,000 in Azerbaijan, 9,000 in Armenia, 40,000 in Tajikistan, and only 125 in Georgia.

Shevardnadze Signs Welfare Edict

LD0309193594 Moscow Radiostantsiya Ekho Moskvy in Russian 1800 GMT 3 Sep 94

[Text] Eduard Shevardnadze signed an edict today on public welfare. The document is expected to ensure a subsistence income for the lowest paid. For example, the minimum wage in the republic will be raised to 1 million coupons in September. It currently amounts to just 56,000. It should be noted, however, that under the existing rate of exchange one dollar is worth nearly 2 million coupons.

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